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Legislative Assembly of Ontario

Second Session, 33rd Parliament
Tuesday, January 27, 1987

Speaker: Honourable H. A. Edighoffer
Clerk of the House: C. L. DesRosiers

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LEGISLATIVE ASSEMBLY OF ONTARIO

Tuesday, January 27, 1987

The House met at 1:30 p.m.

Prayers.

MEMBERS' STATEMENTS

HIGHWAY CONSTRUCTION

Mr. Eves: I would like to take a moment today to remind the Premier and Minister of Northern Development and Mines (Mr. Peterson) and the Minister of Transportation and Communications (Mr. Fulton) of a long-standing commitment to the people in the Parry Sound riding.

During the time of the member for Muskoka (Mr. F. S. Miller) as Premier, a commitment was made to four-laning Highways 69 and 11 north to Sudbury and North Bay respectively. The current highway system simply cannot support the volume of traffic in our area, particularly during the summer months. The current state of these highways also gives rise to safety concerns, both during the summer and winter months. Four-laning these highways would provide the needed measure of safety, ease traffic congestion, increase tourism potential for the entire region and provide a valuable incentive for much-needed industrial development.

While it is true this commitment was made by a Conservative government, the ministers have had ample time to review the details of these projects and to appreciate their obvious necessity. I ask that the ministers set aside partisan politics on this issue and honour the commitments made to the people of Parry Sound riding, especially with the extra \$400 million in the Treasury. Now is the time to spend some of that surplus revenue and proceed with the four-laning of Highways 69 and 11.

NORMAN McLAREN

Mr. Foulds: Today I would like to pay tribute to one of Canada's rare creative geniuses, film maker Norman McLaren, who died yesterday of a heart attack. He has been called the Picasso of modern film and he was that, both in technique and in the profundity of his subject matter. If Norman McLaren were a resident of any other country, his name would have the familiarity of Walt Disney, Charlie Chaplin or Ingmar Bergman.

He could be a brooding genius commenting on the profound humanity of the human condition. His work could be abstract, brilliant, profound and often just plain fun. He won more than 200 awards, including the Palme d'Or from Cannes and an Oscar for *Neighbours*, a 1953 anti-war parable about two men who fight and die over a flower.

As a person who came to my maturity in the 1950s, I cannot help but express the sense of wonder and thanks I had, growing up in small-town Ontario, that this country had a genius of Norman McLaren's ability who actually touched our lives and enlarged our sensibilities.

One is told that he was a great teacher, that he founded the National Film Board's animation department and that he trained a number of NFB's animators; but it is always as a creator that I shall remember him. I miss him personally. It is with a profound sense of loss that we have lost one of our great creative geniuses.

WHITE CANE WEEK

Mr. Callahan: I rise on this occasion to remind the House that February 1 to 7 will be White Cane Week in Ontario. The slogan they have adopted this year is, "There is more than one way to see." The campaign will include special events and demonstrations designed to increase public awareness on blindness and how it affects someone's life.

The thing that triggered this statement was that I watched an excellent program on television last night or the night before about a couple in Chicago, both blind, who were raising a small child. Some of the innovations and some of the ways they dealt with that particular task, which is difficult enough for people who are sighted, were rather amazing. In my law-school career, I knew a gentleman who was blind and who was graduated from Osgoode Hall with higher marks than I had, and it always amazed me how he was able to carry out the functions and necessities of a legal program.

We should recognize that these are very special people who are capable of aspiring to very great heights as long as we recognize the fact that they do have those particular qualities.

ONTARIO TRADE REVIEW

Mr. McFadden: Concern about United States protectionism is not a partisan issue. All parties in the Legislature are committed to maintaining the auto pact and fighting the restricting and closing of markets in the United States to Canadian suppliers.

The final report of the select committee on economic affairs recommended the holding of regular meetings between Canadian and American legislators. If ever there was a need for such meetings, the time is now. In the next two months, the US Congress will begin consideration of highly protectionist trade legislation that could severely hurt Ontario's exports, cost thousands of jobs and damage world trade.

It is evident that the current trip to Washington by the Premier (Mr. Peterson) is going nowhere and was, in effect, organized to try to score some public relations points back in Ontario. Therefore, to impress more effectively on American legislators the importance of the Canada-US trading relationship and the dangers that protectionism poses for both countries, I urge that an all-party team of MPPs be established to visit Washington as soon as possible to present strongly Ontario's case to American senators and congressmen.

It must be clear, and it must be made clear, that this concern about the trading relationship between Canada and the United States transcends party lines in this House and is a matter of urgent importance to all Ontarians.

STORM WATER

Mr. Allen: Today it gives me great pleasure to send across the floor to the Minister of the Environment (Mr. Bradley) a proposal on which my office, the regional engineering department and the regional government generally have been working. It is a proposal that holds immense promise for the storage, control and management of storm-water runoffs in our sewage systems in our major cities.

This proposal, authorized by the regional council, reaches something in the order of \$390,000, for which we are urging the Ministry of the Environment to fund the equivalent of \$250,000. The proposal, in short, entails using computer-based information about the passage of storms over a region, matching that with the actual fall of rain in a given storm on a computerized basis, and opening and closing valves in such a way as to maximize the storage of the system and the storage capacity of holding facilities.

As a result, the pollution of nearby waterways will be grossly eliminated and it will be possible for us to get a handle on a major problem and to inaugurate an industry in Hamilton and in Ontario in the marketing of this technology around the world.

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SENIOR CITIZENS' NEWSPAPER

Mr. McGuigan: It is with great pride and pleasure that I received today the first issue of *Mainly for Seniors*, a newspaper conceived by Leader Publications of Dresden. The emergence of this monthly publication, designed to serve the seniors of Kent county, should be commended.

It is with much satisfaction that I have witnessed many positive initiatives in recent months geared towards senior citizens and the issues that concern them. To this end, I would like to acknowledge the efforts of the Minister without Portfolio responsible for senior citizens' affairs (Mr. Van Horne), who also pledged his support to *Mainly for Seniors* through a letter to the editor.

Our society is recognizing more and more the vital role seniors play in our lives and the many contributions they have made and are making to the community. To quote Seneca, "Let us cherish and love old age; for it is full of pleasures, if one knows how to use it."

The first edition of January 23 covers financial, health and social matters as well as stories devoted to residents. I am sure that not only the local citizens of Dresden but also those in the surrounding areas of Kent county will welcome such features.

I invite the members of the Legislature to join me in heralding the arrival of *Mainly for Seniors* and in congratulating the editors and publishers at Leader Publications on their first issue. May the newspaper contribute as much and for as long as the respected citizens it is intended to serve.

CONSERVATION OFFICERS

Mr. Harris: On February 10, 1986, I raised the issue of the reclassification of conservation officers here in the Legislature with a question to the minister. At that time, I pointed out that they earn \$26,500, approximately \$10,000 less than some of the environment officers after one day's experience. These are conservation officers who would have 20 years' experience. I also pointed out that they probably earn about half of what one of the executive assistants to the minister earns after one day's experience.

The minister replied that he was going to let it go to arbitration; he was not going to intercede on their behalf. That is what happened. On August 26, the arbitrator ruled the Ontario conservation officers were improperly classified and the minister was to create an appropriate classification.

Mr. Speaker: Order. The member's time has expired.

Mr. Harris: He has done nothing in the five months since that ruling.

MEMBERS' PRIVILEGES

Mr. Pope: On a point of order, Mr. Speaker: I am rising on the same point the Treasurer (Mr. Nixon), speaking on behalf of the government, rose on yesterday. I am rising to voice our objection to the fact that, without seeing affidavits from all parties in the matter involving the service of documents upon the member for Brantford (Mr. Gillies), the Treasurer and spokesman for the government would see fit to accept it as truth and would reiterate in the House his condemnation of the way in which the member for Brantford handled the matter.

It is incumbent upon the spokesman for the government at least to see all the affidavits and have all the information at his disposal before drawing conclusions.

Mr. Speaker: I listened very carefully and I do not consider it a point of order; it is a point of view.

Statements by the ministry.

Hon. Ms. Munro: I would like to take this opportunity to bring my colleagues up to date with what my ministry is doing to help communities across the province in their efforts—

Mr. Speaker: Order. A point of order.

Mr. Harris: On a point of order, Mr. Speaker: I apologize for interrupting the minister and I apologize that I was not here yesterday, but I understood my colleague the member for Cochrane South (Mr. Pope) rose on the same point of order that the government House leader rose on yesterday. Yesterday it appeared to be in order, but today it does not appear to be in order. I wonder why that is the case.

Mr. Speaker: I am not here to debate the matter with the honourable member. However, yesterday the matter was raised, and when a matter is first raised, the Speaker has to listen to the point that is made to find whether it is a point of order.

Following the agreement that representatives of all parties had the opportunity to speak, the

House extended that courtesy to the member for Brantford when he came in on the same point. The member for Cochrane South got up, saying it was on the same point as yesterday. I tried to inform the member that it was a point of view, not a point of order.

STATEMENTS BY THE MINISTRY

LITERACY PROGRAMS

Hon. Ms. Munro: I would like to take this opportunity to bring my colleagues up to date on what my ministry is doing to help communities across Ontario in their efforts to combat illiteracy.

Members will remember I announced the Ontario community literacy program in September 1986. Since that time, tremendous interest has been shown in every corner of the province. In order to ensure that both umbrella provincial groups and smaller local organizations enjoyed equal access to this funding, we extended the deadline for applications from October 15 to December 15.

We have received several messages of support from many Ontarians who are committed to promoting and providing literacy. Response to Ontario community literacy grants has been gratifying. The diversity of innovative programs, services and projects has been significant.

The Ministry of Education, the Ministry of Skills Development and my ministry have strongly encouraged local deliverers to co-operate in ensuring that learners find the program that best suits their needs. Target groups include organizations dealing with native people, sole-support mothers and persons with disabilities. Applications received represent innovative, imaginative and dedicated organizations whose programs will help raise levels of literacy throughout Ontario.

In the near future, I expect to approve approximately \$2,748,000 in Ontario community literacy grants as well as \$100,000 in community project grants. These grants will go to approximately 110 organizations providing community-based literacy programs and services with the help of thousands of volunteers.

These groups serve more than 60 towns and cities and their surrounding areas, stretching from Moosonee to Leamington and from Cornwall to Red Lake. Many of these projects are partnership ventures, cosponsored with local boards of education, businesses and service clubs.

The grant applications reflect the diverse nature of Ontario. For example, the Red Lake

Adult Education Committee will offer the capacity to handle inquiries in English, French, Cree and Ojibway. Parkdale Project Read, East End Literacy, St. Christopher House and the Toronto Alfa Centre also operate programs that serve a multicultural community. La Magie des lettres is running a literacy learning centre which serves the francophone population in Ottawa-Carleton.

In Hamilton, the adult basic education hotline refers adult learners to literacy programs in the community. Other noteworthy deliverers include Frontier College, which operates programs for street kids and people with disabilities. The Thunder Bay Native Friendship Centre will provide a literacy program for native women with a preschool program for their children. As well, literacy councils in smaller communities across Ontario have expressed interest in the program.

Grants are only one component of the Ontario community literacy program. With the co-operation of the Ministry of Education and the Ministry of Skills Development, certain resource publications are approaching completion. A bilingual brochure, tentatively called Partners in Literacy, will outline government basic literacy programs for adults. A directory of local literacy programs, including those news services made possible by the Ontario community literacy grant, is expected to be completed in the spring. I look forward to sending copies of both publications to all members of the House.

Other plans we will launch include the development of resources and teacher training programs that will support deliverers. A long-term public awareness campaign will be instrumental in delivering information about literacy programs to those who need them most.

Our newly formed literacy unit is staffed with intelligent, competent, dedicated, caring individuals. I am confident their efforts will strengthen and complement my ministry's efforts to raise levels of literacy in Ontario.

An interministerial committee, which will co-ordinate provincial efforts, will also be an integral part of our literacy initiative. I am very happy to announce our first ministry literacy conference, Literacy Alert. The conference is being sponsored by the libraries and community information branch of my ministry and the North York Public Library. It will take place in Toronto on April 10.

We have as keynote speakers some of the world's foremost experts on literacy, for example, Jonathon Kozol and Carmen St. John

Hunter. Library personnel and representatives from literacy groups across Ontario will attend the conference. Community college and school board representatives will also be invited to attend. Libraries have traditionally been leaders in the teaching and delivery of literacy. This conference will be of tremendous value in assisting libraries to continue their invaluable efforts for this cause.

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I have written to the Honourable David Crombie, Secretary of State, to request a meeting with him prior to his announcement of federal literacy initiatives. It is vital that all levels of government work together on this most important issue.

The scope of this situation must not be understated. In rural and urban settings alike, among the young, the elderly and the middle-aged, illiteracy is a very real problem. In Ontario alone, more than one million adults are functionally illiterate.

I appreciate the interest that members on all sides of the House have shown in this program, and I am very proud that this government can offer such concrete evidence of its commitment to addressing this long-standing concern.

EMPLOYMENT ENTRY REQUIREMENTS VISIBLE MINORITIES

Hon. Mr. Scott: As chairman of the cabinet committee on race relations, I would like to report on some recent developments arising out of the committee's work.

First, in response to some concerns expressed by ethnic and minority communities over a number of years, I am pleased to announce the first phase of an intensive review of entry requirements to professions and trades. The purpose of this project is to determine to what extent existing certification requirements act as barriers to individuals whose qualifications were obtained abroad.

The first phase of the study will involve working closely with minority groups and the professions and trades to isolate appropriate targets for change among the myriad of profession and trade rules. The consulting firm of Abt Associates will conduct this phase of the review, which is to be completed by March 20, 1987.

After targets for change have been identified, we intend to undertake immediately, in consultation with affected professions and minority groups, the second part of the review process. The goal of part 2 is to change those certification

requirements that cannot be justified as necessary to maintain appropriate professional standards.

The overall purpose of this exercise, for which minority groups have been waiting for some time, is to ensure that the rules of entry into professions and trades provide the public with well-qualified practitioners without presenting any unfair disadvantage to those who have received their training or qualifications outside Canada. The study is being funded by 12 ministries and by the Ontario women's directorate out of existing resources.

VISIBLE MINORITIES

Second, in keeping with the Ontario women's directorate's identification of visible minority women as a target group for government programs and services in May 1986, the directorate is planning a series of workshops throughout the province for visible minority women, local government people and groups providing services to visible minority women. The workshops will begin this spring and are intended to facilitate minority women's groups' access to government services and to ensure that these groups have a significant impact on government policies affecting them.

The cabinet committee on race relations is actively working on achieving the goals in the government's race relations policy statement. I and some of my fellow ministers look forward to announcing further developments in the very near future.

RESPONSES

LITERACY PROGRAMS

Mr. Shymko: I would like to respond to the statements by both the Minister of Citizenship and Culture (Ms. Munro) and the Attorney General (Mr. Scott).

With regard to the statement on the literacy program, I congratulate the minister on continuing this program and on providing the necessary funding, which is far from adequate, in addressing an issue that not only affects native groups and segments of our francophone community but also addresses in a very important way the close to 40 per cent of the population of Ontario of ethnocultural background, the vast majority of them immigrants who have recently arrived in Canada, who not only have difficulty in literacy in their native languages but also have a major problem with English.

I am frankly surprised that, in the context of the various projects where the minister has invited boards of education, businesses and

service clubs to participate in a cosponsorship program, no reference is made to the very important umbrella organizations, some of them dealing with socioeconomic problems of their respective communities. They have not been invited, all of them, to participate at the first conference; at least there is no indication in her statement on the first ministry literacy conference that they have been invited and there is absolutely no reference to the partnership venture.

EMPLOYMENT ENTRY REQUIREMENTS

Mr. Shymko: I am also concerned with the statement of the Attorney General about continued study in the area of race relations and in the area of accreditation. Why is it that the foreign doctors—many of whom are well qualified, some of them with 25 years of experience, some of them specialists—have problems getting accreditation to fill the need of medical services in northern Ontario? There have been very strong lobbying efforts in the past months to get the Minister of Health (Mr. Elston) even to move in the direction of study, but it is study after study. There is nothing concrete in terms of a move or decision made by this government to allow these certified and experienced doctors to be given an opportunity to help raise the standard of health services in a part of Ontario, namely, northern Ontario. I am concerned that we are simply continuing to study in perpetuity and not addressing these needs in a practical way.

VISIBLE MINORITIES

Mr. Rae: I want to respond to the statement made by the Attorney General. While it is difficult not to welcome any even slight indication of progress, I am a little surprised that the Attorney General made a statement with respect to this issue and did not mention the fact—since he and his seatmate were two of the key negotiators for the Liberal Party—that the first item listed in Document Three of the accord, The Program for Action from Common Campaign Proposals, to be Implemented Within a Framework of Fiscal Responsibility, states, "Affirmative action and employment equity for women, minorities and the handicapped and expansion of the role and budget of Human Rights Commission to deal with work place and housing discrimination."

One of the key areas in which we have yet to hear anything specific from the government of Ontario is in this whole area of affirmative action and employment equity. The government has indicated there is going to be a program of

identifying precisely the makeup of the public service, but we still do not have a stated policy and program with respect to employment equity in the public sector. As far as the private sector is concerned, we now have fewer laws and weaker policy than is the case with the Mulroney government in Ottawa. I thought this government, particularly given its public commitment in the accord, wanted to do better than the standard being set at the moment in Ottawa.

There is a problem here. The government is truly and genuinely going at a snail's pace when it comes to this question of affirmative action and employment equity as it affects the handicapped, minorities and women. I am surprised—I put it that clearly; not astounded, but simply surprised—that the Attorney General, since he was one of the authors of this document, and certainly one of the signatories in terms of moving it along, stated today a series of very minor initiatives with respect to his responsibilities for race relations but chose not to mention a public commitment on the part of the Liberal Party, which it has failed—once again and for the record—to live up to in terms of its commitments to the people of this province.

LITERACY PROGRAMS

Mr. Allen: I rise with a certain sense of dismay but not wanting to reject the proposals the Minister of Citizenship and Culture (Ms. Munro) has laid before us with respect to her activities in the field of literacy and literacy education. I say “dismay” because this party regrets the fact that her ministry is the lead ministry in this matter. Literacy education is properly a matter for the Ministry of Education. Unfortunately, the connotation of placing it in her ministry is that it ghettoizes the issue with respect to the immigrant community. The fact of the matter is that literacy in our province is an offshoot of the inadequacies of our education system. They are failures of our own and not ones that have been brought here by other people. To address the problem, that has to be made crystal clear.

1400

Second, the recent pamphlet from the minister's office spoke of a war on illiteracy. It is with some dismay that one hears that language because what we are seeing is little more than a skirmish. The Ministry of Education provides about \$1.30 per functionally illiterate person in Ontario in this program. The minister's own program provides in the order of about \$4 per functionally illiterate person in Ontario. The Ministry of Skills Development provides about

\$12 per functionally illiterate person in Ontario. That is not war; that is barely a skirmish and indicates we have barely started.

Problems across the north: there are no networks there to seize hold of. It is difficult to deploy the money the minister has put in the field. I am sure she is aware of this. It is necessary for us to mobilize a much more activist approach to the problem of functionally illiterate people in this province than either that ministry or the other two ministries has yet proposed.

ORAL QUESTIONS

TAX REVENUES

Mr. Grossman: I have a question for the Minister of Transportation and Communications. The minister will recall that the Treasurer (Mr. Nixon) has admitted that for the first six months of this year alone he has \$400 million extra. We have established that he is collecting \$500,000 a day extra from the motorists of this province because of the gasoline tax changes. He has tried to rationalize all this by telling us of the great investments he has made in the Ministry of Transportation and Communications in particular with all this money he is getting, the \$500,000 a day from the motorists. Can the minister share with us how much the budget of his ministry increased from the interim 1985-86 budget to the allocation he got in 1986-87?

Hon. Mr. Fulton: As I announced in the House some time ago, our budget increased in the range of about 7.5 per cent this year. We are more than satisfied with the money we have available for the expenditures we are able to provide and proceed with. With a supplementary question, I will tell him a couple of examples of what we are doing.

Mr. Grossman: We would like to chat about the minister's mathematics before we get to that. I have the Treasurer's budget right here. It indicates that for interim 1985-86 the budget for this ministry was \$620 million and that the budget plan for 1986-87 is \$625 million, an increase of \$5 million or I guess about two and a half days of the excess gasoline tax revenue. Can the minister explain how he might rationalize his comments with the comments of the Treasurer that he is spending his extra \$400 million on MTC when the budget went up \$5 million this year?

Hon. Mr. Fulton: The Leader of the Opposition and former Treasurer is having a very difficult time with arithmetic and mathematics. The most recent budget of the Ministry of

Transportation and Communications was in the range of \$1.73 billion, not the \$625 million to which he alludes.

Mr. Grossman: I have here in my hand Ontario Finances dated September 30, 1986. It is the second-quarter report issued by the Treasurer of Ontario. It sets out the financial statements and says right at the top that he has an extra \$405 million he had not anticipated, yet here in "Expenditure," table 2, it says, "Transportation and Communications, \$625 million" under the column headed "Budget Plan."

Out of the \$400 million extra, the Treasurer gave the minister \$3 million or, in other words, six big days of the excess gasoline tax revenue. Would the minister stand up and tell us whether the Treasurer was wrong in his quarterly statement to say that the minister got \$3 million extra during this year and that his budget of \$628 million has \$3 million extra?

Hon. Mr. Fulton: I pointed out what the annual budget of this ministry was last year. I can tell the member for St. Andrew-St. Patrick that in the past couple of weeks alone, we have announced the ongoing work for Highway 403 that was previously promised by his government but never funded. Only last Wednesday, we announced the four-laning of Highway 115 into Peterborough. Surely the Treasurer is meeting the needs of the people of Ontario in this ministry.

Mr. Grossman: Abe Schwartz did six times better than the minister did. He also does not blush when we catch him not knowing his information. At least he stands up and admits it.

Mr. Speaker: Do you have a question of the same minister?

Mr. Grossman: No.

Mr. Speaker: Which minister?

STEEL EXPORTS

Mr. Grossman: I have a question to the Minister of Industry, Trade and Technology. I will not embarrass him by asking what the budget of his ministry is. Instead, I will raise this issue with him. He will recall that on October 21, 1986, we raised a very serious issue surrounding the Heinz bill in the United States. Given the fact that the Premier (Mr. Peterson) indicated he had no idea at the time what the Heinz bill was all about, could the minister tell us what action he has taken in that regard?

Hon. Mr. O'Neil: The Premier is at present in Washington, as the member knows, and he did

have a meeting with Senator Heinz yesterday when those matters were discussed.

Mr. Grossman: That is precisely right. On softwood lumber, neither the minister nor the Premier went to Washington and had any discussions; nor were any civil servants sent to defend our interests on softwood lumber. We ended up having a tariff put on, a tariff to which the minister agreed.

On the issue of steel, the Heinz bill was raised in this House by our party on October 21, 1986. The Premier had no idea what it was all about, no idea that anything was happening on steel. Now, when he goes to Washington, he finally discovers Senator Heinz, who says to the Premier: "I do not care who you are or what you have to say. It is too far down the road. We are going to proceed with the steel bill."

Our party raised this issue in this House three months ago, and we want to know precisely what the minister has done to protect the 46,000 Ontario steelworkers from October until last week.

Hon. Mr. O'Neil: As I mentioned, the Premier was discussing this matter with Senator Heinz yesterday. There have also been ongoing talks by our government, the federal government and the steel industry concerning this problem.

Mr. Grossman: I must accept at face value the minister's answer that he has done something about the steel industry and the Heinz legislation between October 21, 1986, and yesterday's once again unsuccessful visit by the Premier of this province to Senator Heinz, who told the Premier he was going to go ahead and do it to the 46,000 Ontario steelworkers.

Will the minister outline this afternoon, or send over communications to us later this week in detail, specifically what representations he and his staff have made to protect the steelworkers, where they were made, what the content of those submissions were and how they were received? Will the minister share that information with us?

1410

Hon. Mr. O'Neil: The Leader of the Opposition is mistaken again. If he read the newspaper reports that came out of Washington, he would have seen that the Premier was very successful in changing some of the attitudes that Senator Heinz had.

Members will notice that when Senator Heinz came out of the meeting with the Premier, he said we were engaged in fair practices in the steel business, we were very competitive and we were not unfair traders. This was in opposition to the

press release he had put out. After he met with the Premier, he changed his mind on some of the opinions he had beforehand.

Mr. Grossman: It is better than the Premier's last trip. At least they knew his name.

Interjections.

Mr. Speaker: Order. There are other members who would like ask questions.

AUTOMOBILE INSURANCE

Mr. Rae: I have a question of the Minister of the Environment (Mr. Bradley). I was told he would be here, but I will first ask a question of the Minister of Consumer and Commercial Relations, assuming the Minister of the Environment is going to be here.

The Business Practices Act, for which the minister is—

Mr. Andrewes: The Minister of the Environment is coming in now. He is always late.

Mr. Rowe: Is anything left in his office or is it all under his arm?

Mr. Rae: I will get to him later. I want to deal with the Minister of Consumer and Commercial Relations.

The Business Practices Act, for which the minister is responsible, defines an unfair practice as follows: "A false, misleading or deceptive consumer representation, including," among other things, "a representation using exaggeration, innuendo or ambiguity as to a material fact or failing to state a material fact if such use or failure deceives or tends to deceive." That is the definition in the act for which the minister is responsible.

The minister stood in his place yesterday and said that as far as he was concerned there was a completely free market in terms of representations to be made by anybody with respect to car insurance in this province and he did not intend to get involved. The minister is responsible for the act and for enforcing it.

Mr. Speaker: What is your question?

Mr. Rae: Does the minister think a representation that says, "We want you to know that the cost of your insurance is driven by what it costs to insure you and nothing more" is a fair representation, or does he think it is a false, misleading or deceptive consumer representation as defined in the Business Practices Act?

Hon. Mr. Kwinter: The leader of the third party has made a statement about an advertisement that appeared on behalf of the insurance industry. To expect and to try to imply that all the citizens of Ontario think the insurance industry is

a philanthropic body and has no costs, no profit motive or anything else is not to square with the facts.

The point in that ad—and I am not trying to defend it—is that the cost of insurance is driven by the cost of servicing the people who are insured. Anyone who thinks that is an outrageous statement or one that should be condemned under the Business Practices Act is not being realistic or fair.

Mr. Rae: The minister's relationship to the industry in terms of his spokespersonship and his advocacy in this House is well established. I am asking him to step back from that for a moment and think of his responsibility to consumers. I do not think the consumers of this province are under any illusions about the philanthropic nature of the insurance industry. The only people suffering from that problem are the members of the Liberal Party of Ontario and the government of Ontario with respect to car insurance today. Those are the people with the problem.

Since the minister has failed to answer with respect to one ad, I want to ask him about the other ad. This is an advertisement that sets out how much the insurance industry paid out in claims—that is to say, \$3 billion—sets out that it spent more than \$2 billion for car repairs alone and says that every year the costs keep going up, ending up in the premium.

Does he think it fair that the insurance companies would do that and not mention the amount of money they are taking in in premiums and fail to mention that the amount they are taking in in premiums and the amount they are making in investment income far exceeds the amount they are putting out in their payments to customers? Does he think it fair to omit that fact?

Hon. Mr. Kwinter: I reject the proposition that the leader of the third party has put forward. I should point out to him that in a market-driven economy, if someone thinks he can go out and provide a service at a cheaper price than someone else can, he will do it. The only time he cannot do that is when there is a monopoly, as there is in Manitoba. In a market economy, which we have here, anybody who wants to do so can go out and compete.

Yesterday we discussed the issue of premiums and claims costs. The leader of the third party has still not been able to justify or prove to me that in Ontario, when it comes to automobile insurance, the number of dollars that are paid in premiums is less than the number of dollars that are paid out in claims. That is not supposition; that is not my impression. Those are the facts. In 1985, for

every dollar of premium, \$1.31 was paid out. I do not have the exact figure for 1986. It is somewhat less than that; for every dollar, I think it is somewhere around \$1.11 or \$1.12, but there is still a negative cash flow.

I am not saying the insurance companies are not making money. They make money on their investment income, but they are entitled to make money. When the member is talking about profits, let him talk about return on investment.

Mr. Rae: I am delighted that we have television in the House, because these clips are going to be of great use to the people of Ontario when the time comes to make up their minds on this issue of car insurance.

With respect to all the information the minister is providing the House, I have provided Statscan figures. I have documented them. Since the minister does not like the figures I used yesterday, which come from Statistics Canada, perhaps he would care to deposit with the House and tell the House where he is getting his figures, which statements they are coming from, why we have not seen them on this side of the House and why nobody in this House has seen audited figures from later than 1983, because he has not filed reports for later than 1983 from the superintendent of insurance.

Mr. Speaker: I thought the question was asked.

Mr. Rae: By way of final supplementary, very briefly.

Mr. Speaker: Briefly.

Mr. Rae: Can the minister tell us why he will not direct the director who is named under the Business Practices Act to investigate the advertisements that are being paid for by the car drivers of this province and by car drivers in other provinces that do not have public plans? Why does he refuse to investigate what they are holding out, when it is so patently misrepresentational and, frankly, so patently misleading and when he has a responsibility to protect the consumers and drivers of Ontario?

Hon. Mr. Kwinter: Under the Business Practices Act, if a citizen lodges a complaint that, in his opinion, an advertisement misrepresents a material fact—

Mr. Wildman: Why do you not lodge a complaint?

Hon. Mr. Kwinter: Because it is not my role to lodge a complaint; it is the role of citizens. If the member feels this advertisement misrepresents the facts, then I invite him to lodge a formal

complaint. We will be happy to look into it and respond to it.

Mr. Rae: I anticipated some of this exchange, and we are going to lodge that kind of complaint.

Mr. Speaker: The Minister of the Environment is here; so you can direct your question to the minister.

NIAGARA RIVER WATER QUALITY

Mr. Rae: I have a question of the Minister of the Environment. It follows from the questions I asked him yesterday with respect to the pollution by Occidental Chemical Corp. of the so-called Durez site in North Tonawanda, which is currently the most dioxin-contaminated sewer on the United States side and where his own ministry has documented the highest levels of dioxin in the water ever recorded. Can the minister tell us why he and his ministry have not intervened in the legal action between New York state and Occidental Chemical Corp. to make sure Occidental cleans up the sewers?

Before the minister gets up, he did it with respect to the S area dump site; the Tories did it, too late. He has not even done it with respect to this site. Why not?

1420

Hon. Mr. Bradley: The honourable member would be aware that on three different occasions I have publicly brought to the attention of the Americans and others the situation that exists at Occi-Durez. In my meetings with Henry Williams, the commissioner of the Department of Environmental Conservation, I have drawn that to his attention. We now have further information.

Mr. Stevenson: Why are you singing the same tune as Hank Williams?

Hon. Mr. Bradley: As the member for Durham-York (Mr. Stevenson) would know—

Mr. Grossman: Do not get nervous.

Hon. Mr. Bradley: I am not. It is nice to see the Leader of the Opposition in the House today. I was looking for him yesterday.

Interjections.

Mr. Speaker: Order.

Mr. Rae: The minister has failed to answer my question. The reason he has failed to answer it is that his representations on behalf of Ontario have been even more of a wet noodle than the representations that were made by the nine or 10 environmental ministers for the Tory party who were there. They were just as weak and ineffectual.

Can the minister point to one source of pollution in the Niagara River on the other side that is polluting any less today than it was on May 2, 1985?

Hon. Mr. Bradley: There are a number of sources on the other side of the river that continue to be of concern to Ontario and to the people of this country. On every possible occasion—despite the fact that the member gets up and yells and thinks if he yells loud enough that somehow he makes his point—I have indicated very clearly to the Americans and to all concerned the position of the province.

The leader of the third party, the member for York South, knows that is why we have not had an accord signed over the Niagara River. It is because I have refused to sign an accord that would not contain in it a specific schedule and a specific percentage reduction of the contaminants going into the river as well as a meaningful reference to the excavation of those sites immediately adjacent to the river.

Where has the member been for the past two years when this government and I have been making known our position, not just in the comfort of the Canadian shores but also on the other side of the border, where we have been subject to criticism for the stand we have taken? I will continue to do that.

As to the member's reference to a potential legal option in this regard, we have that option available—

Mr. Rae: Too late.

Hon. Mr. Bradley: No, it is not too late at all. We have that option available and we will intervene if we feel—

Mr. Speaker: Order. Final supplementary. The member for Lakeshore.

Mrs. Grier: I would like to make it supplementary to the answer if it is possible. The minister has used the phrase yesterday and again today that any accord with the US must contain a "meaningful reference to the excavation of those sites." Last May, when this was raised with him, he said he would be unwilling to sign any agreement that did not contain a provision for excavation.

I want the minister to be very clear in this House. Is he still of the opinion and is he still unwilling to sign any agreement that does not contain specific excavation provisions for the Durez site, the S area site and the High Park site? Is that still his position?

Hon. Mr. Bradley: The member will recall—I believe it was in Buffalo when I was speaking to

the Great Lakes group—that I indicated in the presence of those who were officials of New York state at that time that it was the view of the province that the best option would be the excavation of those sites that are immediately adjacent to the river and that have been identified as being potentially dangerous to the river not only because of their geographic location but also because of the contaminants contained in them.

We have seen a perceptible change in attitude from a position by our American friends that started out that this should be rejected out of hand as one of the potential options. Instead, we have seen them change to a position where they are talking about excavation as being one of the viable options that should be explored for those sites.

There is a study partially funded by the Ministry of the Environment of Ontario and undertaken through the auspices of Pollution Probe. We provided \$25,000 for it and results will be available soon that might well indicate clearly, even to those who have been doubtful—

Mrs. Grier: Are you going to sign?

Mr. Speaker: Order, the member for Lakeshore and the minister. That completes this question and answer.

STEEL EXPORTS

Mr. Grossman: I have another question for the Minister of Industry, Trade and Technology about the Premier (Mr. Peterson) going to Washington to defend our interests. We know the Premier is not fond of freer trade and we know he was there, as the minister tells us, to do something about the Heinz bill, which the minister had not heard of. We see the Premier's great success. He finds that the United States is seeking the free trade deal he is opposed to and he finds out about steel import cuts.

The report in the Toronto Star says that "before the two men emerged" from the meeting a news release was issued by Senator Heinz saying he was "disappointed and angry"...that export of Canadian steel into the United States has increased substantially in the past few months.

"Heinz declared that he will reintroduce legislation in the Senate this week giving Canada...90 days to voluntarily reduce steel imports or be faced with 'tough restrictions.'"

Boy, he sure cut them down on our behalf, did he not?

If the Premier and the minister have been doing such a fine job in defending the interests of steelworkers, how is it that the Premier said following the meeting, "Peterson said he didn't

know how many jobs could be put at risk in Ontario if the restrictions are imposed." If the government has done anything in the last while, why did the Premier not know how many steel jobs were at risk?

Hon. Mr. O'Neil: The Leader of the Opposition should read all the press releases that were released. As I stated one minute ago, that was the press release put out by Senator Heinz before he came out of the meeting. When he came out of the meeting, he had to agree with the Premier that we were indeed fair traders, that we are not subsidizing the steel industry and that we are not dumping in the United States.

Mr. Grossman: After the meeting with Heinz, Heinz said "that he hopes the dispute is resolved" and that we will "voluntarily restrain" our exports, as with softwood. To quote the Premier, "We've still been getting it royally put to us." When the Premier goes to Washington, he sure is treated royally. He gets it put to him and does nothing.

Mr. Speaker: And the question is?

Mr. Grossman: Given the obvious evidence that the Premier did not even know how many jobs were at risk in the steel industry if protection is put on, will the minister undertake to table today specifically all the information with regard to the steps he has taken to protect Ontario steelworkers?

Hon. Mr. O'Neil: During the past month or two, the Leader of Opposition has been a crier of doom and gloom in this province. Through the negotiations the Ontario government and the federal government are having with the industry, we hope all the jobs will be maintained.

Interjections.

Mr. Speaker: Order. The member for Ottawa Centre would like to ask a question.

1430

DAY CARE

Ms. Gigantes: My question is for the Minister of Community and Social Services. I would like to go back to a subject I have raised a series of times in this House, namely, the minister's stubborn insistence that he is going to pursue a policy of giving public money to private day care centres. Yesterday, in response to a question from me about why he would give it to day care centres in the profit-making system, 25 per cent of which, according to the supervisory inspectors, are either poor or very poor in standards, he suggested the problem was they had fewer resources.

The minister knows that is not the case. The same resources are open to profit-making day care centres as to nonprofit day care centres. In fact, in terms of parent fees and government-subsidized spaces, private profit-making centres in 1986 had approximately \$142 million in resources available to them; they were just not using that money for quality programs. Can he explain how he can justify giving them more money?

Hon. Mr. Sweeney: My recollection is that yesterday's question and the reference in today's question are with respect to the report that was released a week ago, wherein the 25 per cent figure was mentioned. My answer yesterday referred also to that report, and I will refer to it again.

Section 5 of the report clearly says: "In their judgement the reason they came to that conclusion was that the commercial centres were not getting the same resources as the nonprofit ones and that the proper response was not to abandon them, but to see to it that, in fact, they did get the equality of resources so that they could perform an equal job." That was the response.

Ms. Gigantes: The minister is answering yesterday's question again, and wrongly again. He knows perfectly well that the private centres in Ontario have exactly the same resources available to them in terms of parent fees and government subsidies for subsidized spaces as the nonprofit centres do, but the quality of program is different.

He has floated a proposal for a direct subsidy of \$3 a day for each space. That would mean, in the next year, we would be looking at approximately \$28 million going to the private-profit centres. How can he justify doing that in the light of the lack of quality among so many profit-oriented day care centres?

Hon. Mr. Sweeney: It has to be recognized that the report clearly referred to the Canadian experience, not the Ontario experience. I have read that report. Perhaps the member should read it again, if she has already had a chance to go over it.

In Ontario, our experience indicates that 4.3 per cent of our inspections of all day care centres, more than 2,000 of them, show a difficulty. The difficulties are not confined to the commercial ones. There is roughly an even split in the province. Therefore, if we want to maintain the quality, it does not make sense to us to give additional support to 50 per cent of the sector and not to the other half. If quality is the name of the game, if that is what the member is proposing,

then we must provide equal resources to both sides of the system.

LEGAL AID

Mr. Speaker: The Attorney General has a response to a question previously asked by the member for Sarnia (Mr. Brandt).

Hon. Mr. Scott: Yesterday, the member for Sarnia asked whether any representative of my ministry or of the Ontario legal aid plan had given a directive that the number of certificates issued annually be reduced or that the volume of work undertaken by the plan be otherwise artificially reduced.

I have made inquiries and no such directive was given by my ministry and no directive to that effect was given by any official of the plan. In fact, in the last nine months of 1986, which is the last comparable period, there was an increase of almost eight per cent in the volume of certificates issued.

The member no doubt asked the question because, in Sarnia for the same period, there was a marginal decrease of some five per cent. I am told that is not significant in statistical terms over nine months, even though it occurred in Sarnia.

TECHNOLOGY FUND

Mr. Gillies: My question is to the Treasurer regarding the Exploracom mess of the Premier (Mr. Peterson). Now that the project has been closed down by decision of his government, the 42 employees who were not paid for some weeks prior to this have filed suit against the crown. Very much like the Rod Lewis affair, this is a situation in which the government made a decision on a matter, apparently in the absence of determining the government's liability.

Can the Treasurer inform the House what legal advice was sought by the crown before withdrawing its commitment to this project and to what extent the taxpayers of Ontario are going to be liable for the millions of dollars already expended by the principals of this project?

Hon. Mr. Nixon: Presumably, the extent of the liability, if any, will be determined by the courts. I am not sure whether the suit has been entered. I believe it has. If that is the case, then naturally it is in the hands of the courts, and the government will be appropriately represented before the judge under those circumstances.

Mr. Gillies: The Treasurer informed the House last week that the decision by the cabinet to terminate the funding for this project was made on the basis of external reviews. The Premier, on behalf of the government, has refused to table

these external reviews. Can the Treasurer not at least table with the House any and all reviews and legal opinions the government received concerning what the taxpayers' potential liability might be? We appreciate that the matter will be determined by the courts. Can the Treasurer not share with the House what advice he had prior to the decision?

Hon. Mr. Nixon: The honourable member will not be surprised that I intend to follow my leader's lead in this regard. I would also say that the nature of the information that was available to the government in this regard had to do with the reasonableness of the contention that once the original payment was made to Exploracom, it would then be self-sufficient. We are particularly sensitive to the government getting into a program whereby, unexpectedly, ever additional funds are required.

The member for Brantford was a part of the last government, and he may recall certain circumstances in which our predecessors got into that very mess and we had to take the decision to set that straight. The decision having to do with Exploracom was not an easy decision for the government to make, but we made it. We regret the fact that a suit has been entered into, but naturally the courts will have a decision to make in this regard.

DOMED STADIUM

Mr. Philip: I have a question for the Treasurer and acting Chairman of Management Board. The minister will be aware that, in the next couple of months at the latest, the Stadium Corp. of Ontario Ltd. will be making a decision about whether artificial turf or natural Ontario grass will be used in the stadium.

Is the minister aware that artificial turf has been the major cause of an escalation of accidents among the players in the National Football League? Would he agree that the artificial turf, if it is installed, will have the effect of increasing injuries and shortening the careers of both Blue Jays and Argo players? If so, would the minister inform the stadium corporation of the concern of this government for the health and safety of the players who might be injured should it choose the artificial turf?

Hon. Mr. Nixon: The member did not give me notice of this question, but before prayers he did indicate he had a zinger for me, and I guess this is it.

Like the member for St. Andrew-St. Patrick (Mr. Grossman) before me as Treasurer, I am the shareholder for the Stadium Corp. of Ontario

Ltd. on behalf of the public interest. I am not sure whether my opinion in this regard would be considered expert in any way. I can tell the member that, having read the controversy in the *Toronto Sun*, I believe, more than anywhere else, with great respect, it is apparent that the natural turf that might be used is not Brant county turf, in which case I would have no difficulty in making my decision, but is some sort of Kentucky bluegrass or something like that. Whatever they use, I have a feeling it is going to cost us.

Mr. Philip: If the minister had really read the press clippings and the information, he would realize that there are actually five corporations that can produce natural Ontario grass. Is he aware that experience elsewhere shows that natural grass is safer, cheaper, drains better and requires less maintenance? As the principal shareholder in the Stadium Corp. of Ontario Ltd. for the taxpayers of Ontario, will the minister tell the citizens of Ontario on which turf he stands? Does he stand on Canadian natural grass turf or does he stand on plastic, artificial American grass?

Hon. Mr. Nixon: When the honourable member was talking about high-quality Ontario grass, I thought he was talking about Etobicoke gold.

If the decision were mine, all things being equal, I would naturally opt for natural turf. What could be healthier than that?

1440

ACQUIRED IMMUNE DEFICIENCY SYNDROME

Mr. Davis: I have a question of the Minister of Education. He has announced that his government will make the teaching of acquired immune deficiency syndrome compulsory in the public educational system from grades 7 to 13. Will the teaching of AIDS be compulsory in the Roman Catholic school system?

Hon. Mr. Conway: It is not true to say, as the honourable member has stated, that we plan to make the teaching of AIDS compulsory anywhere. I want to make that very clear. What I have said in response to questions in this place and outside yesterday is that we are in the course of reviewing and revising our health and physical education guidelines, and that revision will take into account the requirement that AIDS be dealt with.

As Minister of Education, I feel very strongly that we must ensure that proper, careful and sensitive instruction is provided to the young

people of this province so that they, with the assistance of local boards, parents and local communities, can deal with this very important part of contemporary Ontarian and Canadian life.

Mr. Davis: Perhaps the minister did not hear my question; I will ask him again. Will the teaching of AIDS be compulsory, mandated or part of the curriculum in the Roman Catholic school system?

Hon. Mr. Conway: It is clear, and the member for Scarborough Centre knows better than most, that within the provisions of the regulations the program set out by the Ontario Ministry of Education must be followed by both the public and separate schools in the province. I will be happy to share with my colleague from the official opposition, who I know would want the government and the school boards to take a leadership role in this area, a media release I received late this morning from the Roman Catholic Archdiocese of Toronto, which is, by and large, quite sympathetic and supportive of the undertakings I have announced in recent days.

HIGHWAY CONSTRUCTION

Mr. Foulds: I have a question of the Minister of Transportation and Communications, who also happens to be the member for Scarborough East. Is he aware that during 1985, the most recent year for which statistics are available, there were 100 accidents, including two fatalities, on Highway 401 between Markham Road and Meadowvale Road, which I believe is in his own riding? Is the minister willing to look at improvements that his ministry could make to reduce those accidents and eliminate such fatalities on this stretch of highway?

Hon. Mr. Fulton: I am happy to tell the member for Port Arthur that some time last spring I announced that this spring in the coming budget we will be resurfacing that entire stretch of Highway 401.

Mr. Foulds: My friend the member for Lake Nipigon (Mr. Pouliot) has referred to the stretch of highway from Lake Nipigon to Shabaqua Corners, which the local residents think should be renamed from the Terry Fox Courage Highway to Fulton's Folly. Why is the minister not willing to look at improvements to what is called the Thunder Bay Expressway, which is almost the same length as that stretch of Highway 401 and has caused as many accidents and more fatalities—three? Why has his ministry refused to look at resurfacing and upgrading the highway, improving the lighting along the highway,

improving the stop-light system and putting in a median? Can the minister justify that?

Hon. Mr. Fulton: The member is quite inaccurate. As recently as Friday of last week, the minister met with our officials and officials of the city of Thunder Bay to discuss all of those outstanding projects, including the lighting, the median, both the expressways and the grade separation, and we have given a commitment to have an answer early in April.

PROTECTION FOR HOME BUYERS

Mr. Cousens: I have a question for the Minister of Consumer and Commercial Relations. It has to do with his endorsement of the Building Industry Strategy Board report of December 16 that made some changes to protect new home buyers. Did the minister also endorse the addendum to the agreement of purchase and sale that was released at the same time?

Hon. Mr. Kwinter: The member states that it is an endorsement. It was not quite that. It was a joint program that was worked out with the industry and the Ontario New Home Warranty Program. That was something that was worked out with the industry in consultation with the new home warranty program, but it was an industry-driven initiative and the industry's program.

Mr. Cousens: In the amendment, in section 4 it says, "The vendor may have the right to alter plans and specifications or substitute materials without notice." Would the minister support the builders' rights to alter plans without reviewing the changes with new home buyers? In other words, the home built may not be the same one that the person bought.

In the second part of that amendment, on the substitution of materials, when the term "equal or better" is omitted in the substitution of materials in a new home, one is giving the builder carte blanche to substitute lower-quality materials. Does the minister agree with that too?

Hon. Mr. Kwinter: I am not familiar with all the details of what the member has just read, but as a general statement I would like to see some flexibility on the part of the builder so that he is not strapped in such a way that if he says, "I am going to have one kind of fixture and I have put in another one of equal or better value." I do not see that as a problem, but I see a problem if they are substituting something of lesser value or if they are making a material change to a house that will be a negative impact on the house. I would agree with him on that one.

WASTE DISPOSAL

Mr. Morin-Strom: I have a question for the Minister of the Environment about a new waste disposal site that Algoma Steel has just started to use for sludge from the company's terminal basin down on the city's waterfront. This site is not located at the company steel plant but rather is located right downtown, across the corner from the exit from the International Bridge for tourists from the United States and across the street from an elementary school. The site was considered by the province as a location for the new Ontario Lottery Corp. building going into the Sault.

Can the minister tell the concerned citizens of Sault Ste. Marie why his ministry is allowing Algoma Steel to use this new site for the disposal of this material, even on a temporary basis, without a certificate of approval and without public hearings on this important matter?

Hon. Mr. Bradley: I saw a clipping, I guess from the Sault Star, on that, where some statements were made. I will be happy to look into that for the member. We want to ensure a site that is used even on a temporary basis is one that is acceptable to the citizens who are around and to the people of Sault Ste. Marie as a whole.

1450

Mr. Morin-Strom: I hope the minister will name the date for a public hearing if the site is to be approved or proposed by his ministry.

I want to express, though, some real concerns about the reaction of his own officials in Sault Ste. Marie to this matter. In terms of whether the material should be tested, his district officer for the ministry said, "I do not know why we would want to test it." Then, when asked about the material in it, he indicated it contained cyanide, ammonia, oil, grease and iron. He said, "There is no problem as far as we can see."

Certainly, the people of Sault Ste. Marie are concerned about this site being right downtown, being prime development property. Will the minister see that action is taken on this issue as quickly as possible?

Hon. Mr. Bradley: I had not directly received the report the member brings to my attention, but I suspected he might draw it to my attention in a supplementary question. I will certainly receive, with a good deal of sympathy, the request of the people in the area for that testing. I think what the member refers to is that while it is one thing to test the leachate of the runoff, it is another to test that which is in the pile itself. I want to look carefully at that statement.

I share the member's concern that the fears of the people be alleviated or confirmed, one of the two, and that appropriate action be taken. I will be happy to look into it. I thank the member for drawing it to my attention in the House this afternoon.

VICTORIA COLLEGE

Mr. Sheppard: I have a question for the acting Minister of Government Services, if he will take his seat. I was previously assured by the minister that plans to do something with Victoria College were under way. As the minister is aware, in August 1986, tenders were announced by the minister. I was informed later that the tenders received were rejected for various reasons. I would appreciate hearing from the minister whether he plans to retender the project and, if so, I would like to know exactly when the new tenders will be announced.

Hon. Mr. Conway: I want to thank my friend from Roseneath for his question and his interest in the ministry. His information is correct. The initial tender was not proceeded with simply because, as I recall—and this is subject to my checking the dossier—we did not find that the responses met the requirements we had set out for the project. We are planning to proceed very shortly with a new call. I will communicate the specifics of that to the member for Northumberland within the next day.

Mr. Sheppard: Last August the Minister of Housing (Mr. Curling) was willing to provide financial incentives through the convert-to-rent program, and the Minister of Energy (Mr. Kerrio) was also willing to extend support through a forgivable grant for energy-saving measures. Since housing is one of the most urgent problems in Northumberland, can the minister assure me that the financial incentives for each residential unit created will still be available as promised last August, should Victoria College be converted and developed for residential use?

Will the minister consider moving one of his ministries to Cobourg, as he has done in the north, seeing that unemployment is so high in Northumberland?

Hon. Mr. Conway: We have had discussions with the Minister of Housing on this project. The point the member has made about the housing requirements of his area and the possibilities in so far as the project is concerned have been noted. I will get back to the member at an early opportunity.

LIABILITY INSURANCE

Mr. Swart: I have a question for the Minister of Municipal Affairs. I wonder whether he recalls that his colleague the Minister of Financial Institutions (Mr. Kwinter) gave assurance many months ago to this House that he would assist groups such as hospitals and municipalities that wanted to set up their own reciprocal liability insurance scheme? He will know that subsequently Metro and the rural municipalities that decided to go this route were unfortunately blocked.

I quote from the Kitchener-Waterloo Record of December 18, 1986: "A delay in provincial legislation has stopped the plan in its tracks, an organizer said Wednesday." Chris Sinardo, who is general manager of the group promoting it, is quoted as saying, "We were told before, 'Don't worry about the legislation'...The province 'really let us down!'"

Can the minister explain the contradiction in those two statements?

Hon. Mr. Grandmaître: I assure the member for Welland-Thorold that the total examination of the "municipal liability insurance report" will be before my ministry in its final form by the end of February 1987.

I will not get involved with the statement because I am not aware of that statement, but I assure the member when I do receive the final report on municipal liability insurance, I will keep him informed. Possibly we can resolve liability insurance for hospitals at that time. At present, the ministry has not received that final report.

Mr. Swart: Does the minister not realize that the Municipal Act has to be changed and that his ministry was asked at least six weeks ago to change that act? The minister must realize this move to reciprocal insurance by school boards, etc., has forced the insurance companies to recognize that their gouging is coming home to roost.

Is the minister, along with the Minister of Financial Institutions, playing the insurance companies' game of stalling the municipal reciprocal scheme, letting private insurance companies get another year, even lower rates and let the reciprocal die on the vine? If that is not true, will the minister give the assurance to this House that he will bring in the necessary change to the Municipal Act so we can pass it before the end of this session and get on with the municipal reciprocal insurance plan?

Hon. Mr. Grandmaitre: I just finished telling the member that the final report is not before me. I would be prejudging the final report if I were to tell him today, yes, I will bring in the proper legislation to amend the Municipal Act. I assure him I will act once the final report is before me.

HURON COUNTY COUNCIL

Mrs. Marland: My question is to the Minister of Citizenship and Culture in reference to a problem that exists at the moment with the Huron county council. I refer to a letter from the minister to Brian McBurney, warden of Huron county council. That council has made new appointments to its existing library board and has discontinued the appointment of one member who had not fulfilled her full term.

What has the minister done to ensure that this member of the library board is reappointed, reinstated to complete her term of office, pertaining to the concern of the minister in her letter?

Hon. Ms. Munro: As the member indicated, we have been in touch by letter with Mr. McBurney, and the decision rests with the Huron county council. I presume they are taking under advisement information we have passed on to them.

Mrs. Marland: It seems this whole situation at Huron county council has been somewhat politicized. It is probably not a mere coincidence that the person who was dropped from the library board, a Ms. Bisback, was one of the persons who did not want that library board to become a committee of council. According to the printed schedule of the Huron county council, a person by the name of Isabel Elston was appointed in her place.

Since the minister is taking my question under advisement, will she also confirm for us whether Mrs. Elston is just an addition to the library board or has replaced Ms. Bisback, who was dropped from that library board?

1500

Hon. Ms. Munro: It is my understanding that particular appointee is not currently on the library board. It is also my understanding that the council is taking into account its obligation and the advice of this ministry. However, I stand to be corrected.

HIGH WATER LEVELS

Mrs. Grier: I have a question for the Minister of Natural Resources. The minister has reported to this House and his ministry has made it plain

that next year the water levels in Lake Ontario will be higher than they have been for many years. What assurance can the minister give us that there will be preventive action before next summer, before the high water levels are there, to ensure that dump sites, sewage treatment systems and lagoons adjacent to the shores of Lake Ontario will not be affected by high water levels and will not pollute the lake?

Hon. Mr. Kerrio: The same type of question was asked some time ago by the leader of the third party, who of course took what I said out of context and tried to make an issue to suit his own purpose. I do not propose ever to let him do that, as far as I am concerned. I responded in that way, but I will be a little more careful in my choice of words so that they may not be taken out of context and the water levels built up as being much higher than they really are.

What I said, and I think it is still most appropriate today, was that the high water levels that exist in the Great Lakes system are of a magnitude that would be beyond the ability of any province to deal with the issue. The International Joint Commission has been charged with the responsibility. It is appropriate that it should be there, that the governments of Canada and the United States should deal with the problem and that the Minister of Municipal Affairs (Mr. Grandmaitre) and myself should convince the Treasurer (Mr. Nixon) that we should put more in money where it is appropriate, helping with loans where we can in the protection of the shorelines.

However, the member must be fair and take into account that the high water levels are a problem of major proportions and that we are going to need the help of the two federal governments. Having said that, we will continue to do what we can to address ourselves to the needs of the people on the shorelines. We are looking at flood-line planning and all those things to try to discourage people from building there so they will not come back later and ask for help.

I see that the clock has run out and that you are getting impatient, Mr. Speaker. I have so much to say that I wish the member would ask me a question next session and I would be happy to go into some detail on this question that is so important to the member and her leader.

Mr. Wildman: On a point of order, Mr. Speaker: I ask you to review the Hansard of what was just said by the Minister of Natural Resources to determine whether he was impugning the motives of my leader.

Mr. Speaker: I thought I had listened carefully.

PETITION

NATUROPATHY

Mr. Bossy: I wish to present this petition to the Honourable the Lieutenant Governor and the Legislative Assembly of Ontario on behalf of the undersigned constituents of Scarborough North.

The petition reads in part: "We petition the Ontario Legislature to call on the government to introduce legislation that would guarantee naturopaths the right to practise their art and science to the fullest without prejudice or harassment."

ORDERS OF THE DAY

SELECT COMMITTEE ON THE ENVIRONMENT

Hon. Mr. Nixon: I move resolution 11.

Mr. Speaker: I wonder whether that should be put on the record.

Hon. Mr. Nixon: I will be glad to.

Hon. Mr. Nixon moved resolution 11:

That the select committee on the environment established on July 10, 1985, be empowered to review and report its recommendations on bilateral environmental issues as they affect Ontario; that the committee have authority to sit during any adjournment of the House and any recess between sessions subject to approval of the House leaders, and have authority to adjourn from place to place, subject to budgetary approval by the Board of Internal Economy; that the committee have authority to release its reports during any adjournment or recess of the House by depositing a copy of any report with the Clerk of the Assembly and upon the resumption of the sittings of the House, the chairman of the committee shall bring such reports before the House in accordance with the standing orders; and that the committee have power to call for persons, papers and things and to examine witnesses under oath, and the assembly doth command and compel the attendance before the said committee of such persons and the production of such papers and things as the committee may deem necessary for any of its proceedings and deliberations, for which the Honourable the Speaker may issue his warrant.

Mr. Harris: This matter of the striking of the committee has been discussed by the House leaders. I would like to express our concern with this resolution on a few fronts, not to the extent that we are not going to support it, but we are concerned about how long it has taken to get this

resolution before the House. The select committee on the environment has been long promised; it was promised almost two years ago, and it is something we might very well have been at much sooner than today.

Our party has some concerns over what we feel is a fairly restrictive mandate for this select committee. The mandate indicates it is to deal with bilateral environmental issues only. I do not want to diminish the number of very important bilateral environmental issues, particularly the issue of airborne pollutants and acid rain, which I am sure is one of the major ones the government House leader may have in mind in setting the criteria. I presume another is water quality on those boundary waters. In particular, the Niagara River is of some concern.

It would have been better had a little more flexibility been given to the committee. It is a select committee. The indications are that it will be established for some time. What bothers me is that very rarely do we get back to changing the mandates of these select committees. Once they are struck, they appear to be struck. In limiting them, the government may very well limit a number of environmental issues that are important to the people of Ontario today.

A little more flexibility in this motion would still have allowed for a three-party or two-party agreement at the committee level, had the government given the committee a bit of flexibility in the items it has to deal with. Therefore, on behalf of our party, I express disappointment that the government seems to want to limit this. Any of the important environmental issues facing Ontario today or that may come up that are not classified according to the government House leader's interpretation of "bilateral" cannot be examined by the committee.

1510

Mr. Shymko: I join my House leader, the member for Nipissing (Mr. Harris), in expressing the same serious concerns. I cannot imagine a select committee on education that would not take into consideration the scope of such areas as the private member's bill of the member for Oakwood (Mr. Grande), which deals with heritage languages, and in this particular area, some private bills such as Bill 133, for example, dealing with the environment and the pollution of food that we consume, namely, in the area of liquor where we have requested some changes in the labelling laws.

I am concerned about some aspects of pollution in the working environment. There are

some serious problems that go beyond the very restrictive wording "bilateral environmental issues," or only acid rain. Surely if we are to be serious in addressing environmental issues as they affect the health and lives of our citizens, we will allow more flexibility and take a more universal approach in allowing for public input and debate than to restrict it in the fashion we have restricted it here. We will be restricting the concerns and telling witnesses, individuals and organizations that appear with serious concerns that they are out of order because the issue to be discussed is only acid rain or limited topics.

It is to the benefit of the citizens of Ontario, and to the governing party for that matter, to allow greater flexibility in discussing environmental issues that affect the lives and people of Ontario. I appeal to the government House leader to see whether there is any possibility of amending this motion at this stage or at some other stage so we can allow for a more universal approach of tackling this very serious problem.

Hon. Mr. Nixon: I appreciate the comments made by the two honourable members. The delay in establishing the terms of reference is regrettable. Most members of the House will realize that during the past 18 months, our committees have been jam-packed with important matters for their consideration and even some other matters.

The fact that both honourable members have brought forward is also worthy of discussion and consideration. They point out that although the motion itself is rather lengthy, the select committee is asked to deal only with matters of a bilateral nature affecting the environment. Our own view is that the restrictions might be even narrower than those put on it by the honourable members who spoke, dealing with acidulated precipitation and the fact that this effect is circulated by air currents that know no national boundaries. This is certainly something that we have felt should be reviewed by a select committee.

In order to contain the phrase that actually was very properly suggested by the House leader of the official opposition, such as "and any other environmental matters," it would have meant the committee would be out there to deal with the whole ambit. The government is particularly anxious to have a forum in which acid rain not only is discussed, but also where witnesses can be brought forward and the committee can go to other jurisdictions, if that is its decision and is approved by the Board of Internal Economy, to find out about the sources and so on.

The whole field of environmental policy and controversy is one of the largest we face at this

time in the development of the province. We felt that to establish a committee dealing with the whole thing without limit is an unreasonable request at this time. We ask for the support of the members of the House with this restricted approach. We can assure members that in the long run, we are quite prepared to establish other committees to deal with other aspects of the environment. I see no reason that the members of the House should not be involved as much as possible.

I might as well be frank and say it is the view of the government that we want this select committee to deal particularly with acid rain. Even this wording can go into interboundary waters and may very well do so. It was mentioned in the House yesterday that the Niagara River was one of the most polluted rivers in North America, and that is something that may very well catch the attention and provide a vehicle for the recommendations of the honourable members.

We would like members to give serious consideration to supporting it as it is, because we think this will put forward a substantial body of important consideration leading to recommendations that we will await before taking any other action in this regard.

Motion agreed to.

SELECT COMMITTEE ON RETAIL STORE HOURS

Hon. Mr. Nixon moved resolution 12:

That a select committee on retail store hours be appointed to review and report its recommendations pertaining to Sunday shopping and retail store hours; that the committee have authority to sit during any adjournment of the House and any recess between sessions, subject to approval of the House leaders, and have authority to adjourn from place to place, subject to budgetary approval by the Board of Internal Economy; that the committee have authority to release its reports during any adjournment or recess of the House by depositing a copy of any report with the Clerk of the Legislative Assembly and upon the resumption of the sittings of the House, the chairman of the committee shall bring such reports before the House in accordance with standing orders; and that the committee have power to call for persons, papers and things and to examine witnesses under oath, and the assembly doth command and compel the attendance before the said committee of such persons and the production of such papers and things as the committee may deem necessary for any of its

proceedings and deliberations, for which the Honourable the Speaker may issue his warrant.

Mr. Harris: We are in favour of this resolution and we are supportive of the changes to the mandate of this select committee that were accepted by the government House leader. It is a good example of how the mandate for select committees should proceed. I do not know what the government is afraid of in the environment field, but when we get to this select committee, we are certainly in favour of how it is being struck and the mandate that is being given to it.

Motion agreed to.

Hon. Mr. Nixon moved resolution 13:

That the membership of the select committee on retail store hours be as follows:

Mr. O'Connor, chairman, Messrs. Barlow, Bernier, Ferraro, Guindon, Knight, Philip, Reville, Sargent and Shymko and Ms. E. J. Smith.

Motion agreed to.

ELECTION FINANCES AMENDMENT ACT

Hon. Mr. Nixon moved second reading of Bill 186, An Act to amend the Election Finances Act.

Hon. Mr. Nixon: The members will know that the sections of this bill were recommended by the Commission on Election Finances, chaired by Donald C. MacDonald, well known as a former member of this House and highly respected. The various sections were established after close consultation among representatives of the three caucuses. I want to extend my thanks and appreciation for the work that resulted in the bill before us. This does not mean the bill is perfect as presented. There were certain inadequacies of the first section, even though the election expenses commission had vetted it. These were brought to our attention after the bill had been introduced.

For that reason, assuming the bill will receive second reading, I ask that it be sent to committee of the whole House for amendment of section 1. There is no particular rush about the bill, but we in the government feel that it is quite important that the election finances legislation be brought up to date in case, some time in the future, it has a more immediate application.

The Deputy Speaker: Are there questions and comments of the Treasurer?

Mr. McClellan: I did not think we were allowed that on introduction for second reading.

The Deputy Speaker: Yes, this is second reading. Unless the rules have changed within the past 24 hours, I believe there are questions

and comments. Does the member for Bellwoods wish questions or comments of the Treasurer?

Mr. McClellan: Debate.

The Deputy Speaker: Debate. Fine.

1520

Mr. McFadden: I rise to echo what the House leader said in terms of all-party co-operation in developing the amendments to be made to the Election Finances Act, 1986. These amendments are essentially housekeeping matters raised by the Commission on Election Finances. However, I would like to make special mention of section 1 of Bill 186, which provides for "child care expenses of a candidate" not to be included as a campaign expense.

As the members will recall, the member for St. George (Ms. Fish) introduced a private member's bill last year that was approved by this House and called for an amendment to the election finances legislation to provide precisely for the provision now contained in section 1 of Bill 186. The provision that permits child care expenses not to be included as a campaign expense, in the opinion of our party and I think now in the opinion of the whole House, reflects the importance of child care expenses, particularly for women wanting to enter politics.

It was our strong view that this amendment was important to remove a significant impediment to the ability of women to participate more actively as candidates in the election process. We are very pleased that agreement has been reached on behalf of all parties to include in the legislation this amendment, which mirrors the bill introduced to this House by the member for St. George and approved unanimously some time last year.

Hon. Mr. Nixon: I concur with the comment made by the member for Eglinton; I intended to refer to it in my opening remarks. The resolution or bill—I forget which it was—put before the House by the member for St. George, having to do with the exemption of day care costs for a candidate in an election campaign, was approved by all members of the House and is included in this legislation by three-party agreement and is certainly worth while.

Mr. McClellan: We are pleased to support the bill before us which is an amendment to the Election Finances Act passed in June or July 1986. I am compelled to remind the House that the idea for imposing campaign spending limits flows from the accord signed in May 1985. For those who are historically minded, it comes from Document 1 of the accord, "Legislative Re-

form," which calls for, "Election financing reform to cover spending limits and rebates, at both the central and local campaign level."

It came to the attention of members, I think through the vigilance of the election finances commission, that there was a major loophole in the bill passed earlier in 1986, to wit, that campaign expenses were apparently covered only for the period for which the writ was outstanding. Campaign expenses incurred prior to or after the issuance of a writ escaped from the spending ceiling provisions of the Election Finances Act.

Mr. Martel: The Tories would have liked that.

Mr. McClellan: I am not sure the Tories were the only ones who would have liked that. Be that as it may, this error was caught in the most timely fashion and we have before us legislation and amendments that will close that loophole and make sure that all campaign expenses are covered by the spending ceilings, including, for example, the situation in which a candidate leases an election headquarters office prior to the issuance of the writ. Those expenses will be included, as I understand it, within the campaign budget items that are now covered by the provisions of the Election Finances Reform Act.

Prior to this afternoon, a concern had been expressed that such expenses would not have been covered, so that it would have been possible for somebody such as a candidate in St. Andrew-St. Patrick to rent an office with broadloom on the walls as well as on the floor and a staff of 853 people, charge all those expenses in the interim period and run up once again a real campaign expenditure in excess of \$100,000, thus escaping the intention of the legislation that was passed.

Alternatively, the member for St. David (Mr. Scott) would once again be able to run one of his lavish campaigns. I guess he has run only one lavish campaign, but he would be able to run another grotesquely expensive campaign by escaping the campaign spending ceilings that this Legislature had intended to bring in. I cannot remember how much the member for St. David actually spent. I think it was \$115,000, if memory serves me correctly.

Hon. Mr. Nixon: Two days' billing.

Mr. McClellan: Two days' billing. Some day I would like to ask some of my high-spending colleagues how you can spend that much money on an election campaign. Quite frankly, it is a mystery to me. After you exceed a generous election campaign of between \$30,000 and

\$40,000—and that in itself is an awful lot of money—I do not understand for the life of me how a candidate for this assembly can spend in excess of \$100,000, yet there are many members who demonstrate that where there is a will, there is a way.

Mr. Callahan: They did it in Brampton.

Mr. McClellan: How much did the member spend?

Mr. Callahan: I spent \$21,000, and it was the cheapest of any election; my competitor spent \$93,000.

Mr. McClellan: Great. A model of restraint, which, thanks to this legislation, will be universally applied. These shocking overexpenditures really and seriously frustrate the democratic process. It is impossible for the average citizen to contemplate entering political life if the price tag is in excess of \$100,000 for a campaign for election to this assembly. We have only to look at what has happened south of the border, where politics has become a rich person's game because of the cost of elections.

This legislation, which we passed earlier in the year and which we are amending here today, does serve to democratize the political process and to say to all of the people of this province that lack of wealth or lack of access to wealth is not a barrier to participation in political life in Ontario; it is something that all men and women, whatever their means, whatever their resources and whatever their access to financial support, can expect and aspire to achieve.

I also want to pay tribute to the member for St. George for her initiative in bringing forward—

Hon. Mr. Nixon: I think "recognize" is enough; "tribute" is a bit much.

Mr. McClellan: I think I said "pay tribute." I want to pay tribute to the member for St. George who has brought forward an excellent proposal, that child care expenses be legitimate campaign expenses, to encourage women to come forward as political candidates in this province. I am pleased the government has adopted her very sensible suggestion and that it is incorporated in this amendment.

1530

In short, we were pleased with the bill earlier in the year, proud of that accomplishment, and are pleased to support the initiative the government has taken this afternoon.

Hon. Mr. Nixon: As usual, I find myself in substantial agreement with the comments made by the honourable gentleman, but I find his inconsistency breath-taking, when as a member

of the New Democratic Party he pays homage to this idea of a nice, cheap campaign in which he said he spent only \$21,000.

Mr. McClellan: No. I spent \$36,000.

Hon. Mr. Nixon: That is more than double what any sensible campaign has to have as its base in any reasonable part of the province where democracy is understood and practised.

He also is a principal spokesman for the party which even now has an unbelievably expensive television campaign, with all sorts of high-profile personalities—working for nothing now, admittedly, but with expectations—being bombarded into the houses of the province. It is this sort of expenditure between elections that in many respects can skew the appropriate understanding of valid politics.

How is the government going to put forward its proper program when, at the same time, the third party is spending uncounted thousands of dollars imposing its particular slant of the issues on the public? We can only have confidence in the good judgement of the public to reject most of that mishmash and keep its attention riveted on the accomplishments of the government of the day.

Mr. McFadden: I find myself standing in my place to defend the member for Bellwoods (Mr. McClellan). The government House leader has suggested that \$36,000 is too much to spend on an election campaign. He implied that an election campaign in a riding should probably cost \$20,000 or less. The Nixon family has represented the riding of Brant-Oxford-Norfolk, or its previous incarnation, for about 60 years, father and son. I am surprised that even \$20,000 has to be spent in that riding.

Hon. Mr. Nixon: It was \$14,000.

Mr. McFadden: It should probably be about \$5,000 or \$6,000. By now, that name should be a household name in every part of that riding, so I am surprised his spending is as high as \$14,000.

One thing I would like to clarify is that the member for Bellwoods implied our party had not been fully supportive of the further amendment to be made to the bill to plug what appeared to be a loophole in the wording of the original act. We were supportive of that.

Mr. McClellan: No, I did not.

Mr. McFadden: Perhaps I misunderstood what was said.

Hon. Mr. Nixon: He implied that you liked to spend a lot of money.

Mr. McFadden: No. We want to keep a very careful tiller on all the spending.

An hon. member: Ask Gordon Walker.

Mr. McFadden: That is right. Necessity is the mother of invention, as the government House leader knows.

Finally, I would like to thank the member for Bellwoods for his tribute to the member for St. George. That was very generous of him.

Mr. Breaugh: I want to join in the comments of the member for Bellwoods. They were pertinent and to the point and the tribute was in order. I want to respond briefly to the Treasurer's comments as well.

Hon. Mr. Nixon: This is not in order. You do not respond to a response.

The Deputy Speaker: The purpose of the two minutes is to discuss the speech of the member for Bellwoods.

Mr. Breaugh: Right. That is what I would like to do. Since I wrote the rule, I think I understand it.

The Deputy Speaker: That was not according to your statement. You stated you were going to refer to the Treasurer's comments.

Mr. Breaugh: That is legal in case you do not know it.

I anticipate now that since we spent the grand total in 1986 of \$90,000 in television advertising, that is the grand announcement of the government's total expenditure in television advertising for all ministries this year and in the foreseeable future. We welcome that kind of restraint.

Mr. McClellan: I say to the government House leader, who inherited his seat, that those of us who did not inherit our seats have to campaign. I know he sits on his front porch drinking buttermilk for 37 days and then comes back to the Legislature. I am amazed he spends any money at all.

The other point I make is that our party has to pay, unlike his party, which is the government of Ontario and uses taxpayers' money through government advertising to put forward its views. I can send him ads from the Ministry of Housing that repeat the nonsense that this recently passed rent control bill is in aid of building more housing. It is straightforward government propaganda paid for by the taxpayers' money.

Our party at least pays for its political advertising out of its own money. I see absolutely no difference in the behaviour of the Liberal Party compared with that of the Conservative Party when it was the government of Ontario. Both have used the people's money to put forward their own propaganda. I have nothing to apologize for on behalf of my party.

Finally, I point out that because of the campaign that has been initiated by the insurance lobby, we are compelled to put forward the real story about driver-owned auto insurance. We will continue to put forward the message that this government and the insurance industry are ripping off the people of this province. We will put that message on television and in newspapers right across this province until the people of this province understand that what they want more than anything else is a driver-owned insurance program.

Mr. Callahan: I will rise and briefly involve myself in this debate, because in the fine city of Brampton the Liberal candidate—I hate to tout myself—spent \$21,000 and the Conservatives spent \$93,000. The reason they spent \$93,000 was that in that campaign—I cannot attribute this to Conservatives all over the province—we had volunteers, whereas they had paid advocates. They travelled around in a house trailer. I would walk along a street when suddenly in a Kennedyish-style approach a big house trailer would come along. It would be packed with 10 or 12 people eating and enjoying themselves and letting their candidate jump out of the wagon every now and then when they drummed up a crowd.

What the Liberal Party has always stood for is that our people are committed to campaigning for their candidates. For that reason, we have been able to spend many fewer dollars than the Conservatives. I have never had the pleasure of checking how the New Democratic Party does it, but I can say the Conservatives pay their workers and that is the reason the bill was \$93,000. I recall talking to a member of the Conservative Party in Brampton riding. He told me there had been expenditures, which were called “unaccounted expenditures,” of \$30,000.

I herald and applaud the introduction of the election finances legislation for the same reasons, I suppose, that the parties opposite do. It will allow individuals of any means, but of quality, to run for the Legislature. We will get out of this aspect of bringing people on stream simply because they are going to be paid or reimbursed.

The Liberal Party does not need strengthening, because our people are committed and are volunteers. However, this will perhaps assist the opposition in garnering people who will not only get out and work for them during the election campaign because they are receiving compensation, but also will perhaps allow them to back up the policies of the Conservative Party. Perhaps

the members will not be there for any longer than 42 years.

Mr. McFadden: First, I would like to deal with a misconception that the member for Brampton (Mr. Callahan) obviously is trying to spread through Ontario. I assume it is because he is ill-informed or is not aware of the facts, but the fact is that in virtually every riding I am aware of no workers for our party were ever paid. In the typical situation, candidates might pay somebody to run the committee room.

1540

The member for Brampton implies that canvassers, poll chairmen and people putting up signs on a uniform basis are being paid. That is absolutely not correct. In many campaigns, it was the typical pattern within our party to pay somebody to run a committee room and perhaps somebody else to answer the telephone; but very few, if any, people were ever paid and where they were, it was often just an honorarium. While there are probably examples over the years that could be pointed to, it is unfair and inaccurate for the member to imply that the payment of workers was a uniform practice by our party across this province. It is simply not the truth.

I ask the member to tell the House how much the Liberal campaigns were in the ridings of London South, St. David and York North. He will find the Liberal campaign expenditures in each of those ridings were in excess of the campaign of the Progressive Conservative Party in Brampton. While I am not standing here to justify that particular spending level, I ask the member to tell me what the spending was in those three ridings.

Mr. Foulds: I very seldom find myself in agreement with the member for Brampton, with anything he says, his style or his contention. However, contrary to the sincere and well-meaning member for Eglinton (Mr. McFadden), I do know that the Progressive Conservative canvassers in a number of campaigns in Port Arthur riding, particularly in the 1981 election, were promised remuneration. I do not know whether they were actually paid at the end of the campaign, but I know they were told they were going to be paid. They canvassed vigorously on that basis.

I am in two minds about this. The practice of paying canvassers and people one assumes are volunteers is not particularly useful, productive or necessary. However, if the campaign had promised to pay these people, I hope the former president of the Ontario Progressive Conserva-

tive Party would see fit to make sure that commitment of payment was made.

Mr. McCague: Not to add a whole lot to the debate, but to remind the member for Brampton, who likes to talk about nothing most of the time, while his Conservative opposition might have had a motorhome driving around, the Liberals had it my riding too. He might be interested in knowing that.

Mr. Gillies: I listened with rapt attention—I do not know why—to the member for Brampton (Mr. Callahan) as he made some of his remarks. I wonder whether he would care to comment on the phenomenon we have long observed in Brantford of paid organizers coming into the riding to act as campaign managers, their salaries rarely, if ever, showing on the election expenses.

Hon. Mr. Nixon: Do they come from Windsor and Detroit?

Mr. Gillies: The Treasurer asks where they come from. In the past, the executive assistant to the Premier of Manitoba in a previous election, and various assistants to various senior New Democrats, always seemed to find a friendly place to be at election time in Brantford. I wonder what the member for Brampton thinks about that and whether he agrees with me that the salaries of such people should be reflected in the election expenses for that riding association.

Mr. McClellan: I say to my friend the member for Brantford (Mr. Gillies) that the nature of the bill we supported in June and are supporting again today is to require all such voluntary contributions to be recorded as campaign expenditures. If he does not understand that, which apparently he does not, he does not understand the nature of the exercise.

Not only will the assistant to the Premier of Manitoba or an official on loan from a trade union be assessed as a campaign expense, but so will the vice-president of the insurance company or the loan and trust company, who will be working in the campaign of my friend the member for Brantford. All the salaries of the corporate executives who are on loan to candidates for the Liberal Party will be included in the campaign, and they will be listed for everybody to see.

It is going to be wonderful to be able to see all the executives of all the vested, financial and corporate interests who are campaigning for the Conservative Party and, simultaneously, campaigning equally hard for the Liberal Party. It is going to be wonderful to see that, as we have been able to see their simultaneous financial

contributions to the Conservative Party and the Liberal Party, who are, after all, the Bobbsey twins of Bay Street.

Mr. Callahan: Quickly, by way of reply, the proof of the pudding will be in the eating, because in the next election we will see whether the Tory candidates in Brampton and other ridings will be able to contain themselves and remain within the limits that are prescribed by this act. If they cannot, the proof will be there for my good friend the member for Eglinton (Mr. McFadden) that this is what went on in the past. The workers were not garnered for their voluntary support of a political commitment, but were offered compensation. I do not necessarily say they were paid greatly, but there has to be some explanation for \$93,000 being spent in an election that was lost in Brampton vis-à-vis \$21,000 when we won.

Mr. Cousens: I realize we are bringing up a bill that has been debated before. Important amendments have been agreed upon and are generally accepted by many members of this House.

I would be very interested in having some changes to Bill 103 that could accommodate the needs of a community that does not average out to the size that has been approximated by the Commission on Election Finances.

When this act was designed, it was generally thought that the ridings would consist of about 70,000 people. If they had 70,000 people and 70 per cent of those were electors, there would be 49,000 electors. For the kind of money that would be paid for each elector, it meant there would be \$2 for the first 15,000 electors and \$1 for the next 10,000 electors, giving a base of \$40,000. For each elector in excess of those 25,000, 25 cents would be available for the member to spend appropriately in his riding.

What happened was that when one takes the number that was worked out for the average riding in the province—and we know there is no real average, because the north has its problems and there are city ridings that are different—70,000 was one of the magic numbers. That merely means the person who has 70,000 people and approximately 49,000 electors in his riding will get, in addition to the \$40,000 guaranteed, an extra \$6,000 because of the extra 24,000 people.

1550

I have a problem in that the riding of York Centre, after it is changed and becomes the riding of Markham, assuming I am fortunate enough to become the elected member for that new riding,

goes from being the second-largest riding in the province to being the largest. The town of Markham currently has about 120,000 people, which will be the number for the riding I will represent. I currently have close to 180,000 people.

This is a problem I would like to have resolved by an amendment that could be put forward. I am putting this forward in a way in which the government will be able to take credit for it at another time, so that I do not destroy something of the consensus that has developed among our three House leaders.

I plan to run and I hope I will be back here with some of the other members so we can continue to do battle with the opposite side of the House. I will have 84,000 electors. Under the present guidelines in the bill, I would have \$40,000 as the base amount for the first 25,000 people plus, for the remaining 59,000 electors, a total of \$14,750. That is a difference of \$8,750 from a person who has a riding with 70,000 people.

What has happened is that in running an election in a riding with largely new residents who have come in, with new homes and new sections, you are not going to get away with spending less money in trying to present yourself. No party is going to be able to get away with 25 cents per person with those numbers. What does it cost to mail a letter today? You just will not be able to present your case adequately as a political party.

Under section 15 of the Charter of Rights, all people are "equal before and under the law." Why can we not modify one section of this bill to begin to give some fairness and equity to all the people in this province? In section 39, campaign expenses would then have some equality. This is my suggestion, which I would like to see the House consider at another time, but this is my opportunity to present same. I realize the government House leader has other things that are more important but I assume he will have a chance to read Hansard. I know he has a lot of chance because he is most interested in this problem.

Hon. Mr. Nixon: I think your contribution is out of order, but who am I?

Mr. Cousens: I would like to see moved—these are the words that would be part of that amendment—"That the bill be amended by adding thereto the following section:

"5a. Subsection 39(2) of the said act is amended by striking out '\$2 for each of the first 15,000 of the number of electors' in the sixth and seventh lines and inserting in lieu thereof

'\$35,000 as a base amount and \$1 for each of the number of electors in excess of 35,000,' and by striking out 'and \$1 for each of the number of such electors in excess of 15,000 but not exceeding 25,000, and \$0.25 for each of the number of such electors in excess of 25,000' in the ninth, 10th, 11th and 12th lines."

I beseech the government to review the amendment, consider it seriously and allow all members of this House to consider it at a future time. The amendment would enable there to be some equity across the province for ridings that continue to grow. We are dealing with a province where great change is going on. It is going on in the south York region. I am sure the member for York North (Mr. Sorbara), whose riding also will be growing a great deal, would benefit from a change in the formula of paying for an elector in the election campaign contributions act.

I therefore humbly beseech the House to consider the dilemma I have. I believe the people in the riding I now have and in the future riding of Markham and in other such ridings that are growing significantly are not being treated equally or fairly, as they should be. Even under section 15 of the Charter of Rights and Freedoms, there are grounds that those people are being discriminated against by not having an equivalent amount of money spent on their behalf for their benefit in an election campaign in Ontario. The difference between 25 cents and \$1 is significant and I can assure this House that it becomes an unfair disadvantage for ridings that have grown to such a size.

There is no way we should expect the province to go through redistribution every couple of years or after every election, but we are going to have ridings that grow and continue to expand. Why can there not be, at the same time, some flexibility within this act to allow them to receive a proportionate amount of reimbursement for those electors? I believe not to do so is to discriminate against them and to put them in an unfair disadvantage against those other ridings that are not growing. We are talking about equity and fairness.

I think the bill covers an important concept in our parliamentary democracy, and I support the intent of the bill. However, why can the bill not also take into consideration this very important distinction that is represented by the people whom I happen to represent right now?

Rather than taking it further and having a formal amendment moved when we go to committee, I have tabled this for the second time with a way in which the government could get

around it even before a forthcoming election. If the parliament were to go the full term—and that is something the government should be thinking of—I do not think there should be a rush to get all kinds of changes through. When one is elected for a term of office, there is a job to be fulfilled. I hope the government will consider trying to make a few decisions on its own once the accord has expired and we will see how it goes. Maybe it would be good to see the government—

Mr. McClellan: It would be paralysed with indecision and confusion.

Mr. Cousens: Who knows what will happen?

Once the government reaches that point when the accord has expired, maybe it will expire at the same time. However, maybe it will not, and it can use that opportunity to come up with some of its own plans and its own future. Then at the return of the House, who knows what happens in a minority government. If it is defeated, it will be something that it will be honoured and pleased to go to the people about to receive their statement on whether they do or do not support it.

Let us not rush through it. Let this bill be developed as is being done today. Let the amendments that the government has brought forward be considered. But may it also consider in due course—and I hope before this House goes into another general election—the type of fair play I am asking for, for a riding such as the riding of Markham or the riding of York North, where there will be a considerable increase in the number of people. They too should be treated fairly and equally, and they are not under the present law. If the present section 33 is changed, then I know that under section 39, they will begin to have the kind of equality that is their right.

The Deputy Speaker: Questions and comments of the member for York Centre?

Hon. Mr. Nixon: I am sure that if you had thought the honourable member's contribution to the debate was out of order, you would have called him to order, Mr. Speaker. I am not going to spend time arguing about that other than to say the matter the honourable member discusses—that is, the size of the election expenses permitted under the law in a constituency—was settled by the House in previous legislation. If I were in the honourable member's shoes, I would say it would be quite in order to bring an amendment forward to raise it, but it has been settled. It is not our intention on this side to go forward with an amendment or to support an amendment that will change that allocation.

I think the honourable member is correct when he says he represents one of the fastest-growing

parts of Ontario, probably of North America. The development there may have some difficulties for anyone representing a political party, but the member would be aware that the difficulties are the same for all candidates. I believe the limit in his riding or wherever he may run in that area, which is probably at the top end of the scale of size, would be something in excess of \$50,000, an amount that probably would be an advantage to a candidate such as the member—full of energy, high-profile, well known, probably able to get door-to-door faster than the rest of us who are rapidly losing that ability.

I think it will work out all right. Although I do not wish the member ill, I do not wish him well. We all take our chances in these things, but when we come to the term, we all respond to the exigencies of campaign requirements. Some reference has been made to the pocket borough I have the honour to represent. It is a very large area, and even then the population is fairly large. We all have these difficulties. I do not think fairness and equity are being interfered with by maintaining the bill as it is.

1600

The Deputy Speaker: Thank you. In explanation, the chair allowed the member for York Centre (Mr. Cousens) to carry on because section 1 of this bill deals with the definition of "campaign expense" and his comments related to campaign expenses.

Mr. Cousens: I appreciate that the honourable House leader has deigned to give a response. The fact that he wishes me anything is a starting point, and I hope we can build on that. I know where I am going and I hope he makes it there too. He has to start with something. I want to make sure we have enough in the pot to meet the needs of our constituents and potential constituents.

I think the honourable House leader is wrong. There is a difference. There is a huge difference between a riding that is largely all new residents who do not have a sense of community and a sense of awareness of the history of that riding. It will take a considerable amount to get to them with signs, literature and advertising. All these are extra costs, and one certainly cannot do it for 25 cents for each of those people. That is why I would like to see this whole matter reconsidered, and there is a chance to do it. If it is not going to be today, I want to go on notice that I will continue to plug for those fast-growing ridings of our province.

Mr. McLean: I have a couple of questions to the Treasurer for definition and clarification. He

is probably well aware there are many of us who have signs stored away. In my case, they are in the drive shed and at my son's farm. What I want to know is, if the minister wanted to rent them to me for \$1 apiece, is that what he calls the definition of an election expense? Do the signs have to be valued at what it would cost to replace them? I want his interpretation of how these signs would be utilized and come in under the election expenses part of it.

Hon. Mr. Nixon: If I may respond under these particular rules, the commission will prepare guidelines on this matter. I too have "Re-elect Bob Nixon" signs, without a date on them, sitting in our drive shed. I have always done this, thinking, "Oh, this is going to be great," but when I dig them out at election time, they do not look very good. Has the member noticed? They are dirty, rather bent and the nails have come out of the stakes. It just does not work very well. I advise him to forget it and start fresh. That is just a little advice. If he wants to keep them, wash them off and use them again, that is good.

As far as the charges are concerned, it would not be out of pocket, but it would be a reportable expense. The guidelines to the amount of the expense will be made available in good time.

Mr. Sheppard: I have some signs in my own and other people's drive sheds and some smaller signs in my house. I am sorry to say they have no nail holes in them. I have never used them. Why could I not use those signs or rent them from my neighbour or whoever has them in storage? I have a few of them we have never used. There are no nail holes in them, and they look just as fresh as the day they were made. They say, "Re-elect Howard Sheppard," and I would like to use them again. I can only spend \$44,470 in my riding.

Hon. Mr. Nixon: How can you possibly spend that much in Northumberland?

Mr. Sheppard: I think that is what the Election Finances Act has said I am allowed to spend. I did not spend that much the last time, but according to the figures—

Hon. Mr. Sweeney: So what is your problem?

Mr. Sheppard: I do not want to spend any more than I have to. I want to be able to use those signs.

Hon. Mr. Sweeney: You do not have to. Use them.

Mr. Sheppard: The Treasurer just said that I should not use them. He was telling the member for Simcoe East (Mr. McLean) that I should not use them because they might be faded. I keep them in the dark where they do not fade. I see no

reason I cannot use them. I would like to hear his comments.

Mr. McLean: I would like to have seen some definitions and guidelines that we could have used other than those to be set by the commission for which we will have no input.

My signs are only 1981s and 1985s. The Treasurer's are probably a lot older and should be done away with. Mine are very fresh and easy to clean up.

Hon. Mr. Nixon: I have been glad to comment on each speech. I have nothing further to say other than to ask the members for their support for this bill.

Motion agreed to.

Bill ordered for committee of the whole House.

House in committee of the whole.

ELECTION FINANCES AMENDMENT ACT

Consideration of Bill 186, An Act to amend the Election Finances Act.

On section 1:

Hon. Mr. Nixon: Mr. Chairman, I believe that your desk and the representatives of all three parties have been provided with an amendment that has been recommended by the Commission on Election Finances.

The Deputy Chairman: Mr. Nixon moves that section 1 of the bill be struck out and the following substituted therefor:

"1. The definition of 'campaign expense' in subsection 1(1) of the Election Finances Act, 1986, being chapter 33, is amended,

"(a) by inserting after 'incurred' in the first line 'for goods or services' and by inserting after 'act' in the third line 'for use in whole or in part';

"(b) by striking out 'and' at the end of clause (i), by adding 'and' at the end of clause (j) and by adding thereto the following clause:

"(k) child care expenses of a candidate and other expenses not of partisan value that are set out in guidelines provided by the commission under clause 4(1)(j); and

"(c) by striking out 'but shall be deemed to include the value of any goods held in inventory for any candidate for use during a campaign period' in the 23rd, 24th and 25th lines and inserting in lieu thereof 'but shall be deemed to include the value of any goods held in inventory or any fees or expenses for services for any candidate or political party, and any contribution of goods and services to the political party, constituency association or candidate registered under this act, for use in whole or in part during

the period commencing with the issue of the writ for an election and terminating on polling day.”

1610

Hon. Mr. Nixon: I bring to the attention of the House that the amendment was proposed by the Commission on Election Finances and discussed by representatives of all three parties. The election finances commission has representatives from all three parties and we believe this strengthens the amendments put forward considerably and is essential. I trust honourable members have reviewed the amendment and understand it even as well as I and that we can improve the bill with this substitution.

Mr. McFadden: With regard to clause (c) of the amendment, the intention of counsel and the members of the Commission on Election Finances was to plug what appeared to be a wide loophole that was not intended when Bill 103 was passed some months ago.

The concern I have—it should be flagged, and I hope it does not become a problem—is in the ambit of what will be defined as “for use in whole or in part during the period commencing with the issue of the writ.” For example, if somebody were to donate a dozen red ties to the Treasurer (Mr. Nixon) today, which he uses during the sittings in this House and elsewhere and also uses during the campaign period, would they then have to be shown as a campaign expense?

As you read this, you can take a very broad interpretation and say yes, those ties are going to be used at least in part, if not in whole, during the campaign. You could apply that to all kinds of things, such as research that might be undertaken. You might have run copies of things that could have been used before the writ for the ordinary operation of the constituency association, perhaps relating to instructions for people, videotapes or whatever it might be or anything else you might think of. If they were then used during the campaign period, would they have to be added in in whole or in part?

I do not think there is an easy answer to that. We are trying to deal with broad abuse situations where people have donated things prior to the writ being issued. Then it all gets used during the writ period, and they say: “Too bad. The wording of the act is so broad as to allow that.”

I point out to the House the potential problems and the need for the commission to be sensitive to that and to be reasonable. While I am not advocating that we go crazy with spending, at the same time we have to be very sensitive to the fact that campaigns for all parties are run by people who are amateurs. They are not paid for the job

they do. They do it out of conviction and commitment to the candidate they work for. I do not want to see a bunch of innocent, well-meaning party workers finding themselves having to spend a lot of time after the campaign is over explaining to the commission what they were doing and possibly finding themselves dragged before the courts of the province.

I raise with the Treasurer the concern I have. It is not easily solvable, given the restraints of the English language and the restraints we have in legislation. I would like to point out to the commission through this debate a concern that must be there. When the commission is developing its guidelines, I hope it will be sensitive to this concern.

Hon. Mr. Nixon: The intention of the amendment is that only the part of the service or good used during the writ period is reportable. It has been suggested, for example, that a campaign headquarters might even be owned by the candidate. That is unlikely, but it is possible. However, the proper rental value during the writ period would have to be reported. I do not think that is too difficult.

The honourable member’s reference to red ties certainly gives me pause. In instances such as that and in maybe even more esoteric instances, I can rely only on the commission itself, which is made up of representatives of all parties. With remarkable goodwill for the public good and for the service of democracy in a fair and equitable way and based on the intent of the bill, the commission will have to make certain judgments in areas where there might be some lack of clarity in the definition.

We have done our best for clarity to be pursued and put in the bill. When it comes down to it, it is the Commission on Election Finances to which complaints can be directed. On its own behalf, the commission might also very well bring to the attention of members certain inadequacies in the commission’s understanding of the intent of the legislation.

I hope and trust that there will be no serious difficulties in this regard and that no innocent person, particularly the kind of innocent person who would be taking part in a campaign, would find himself or herself dragged before the courts—to use the honourable member’s words—particularly if his or her intent and motives were pure.

Mr. McClellan: Again, we are pleased to support the amendment. The most important part of the amendment the government House leader has moved has to do with an amendment of the

definition of "campaign expense" in subsection 1(1). As the bill is written, and as it was passed in July, a campaign expense is defined as "any expense incurred...during the period commencing with the issue of a writ...and terminating on polling day."

That means campaign expenditures which took place before the issuance of the writ—for example, if somebody were to open a committee room six months before the issuance of the writ or if the member for St. Andrew-St. Patrick (Mr. Grossman) had wall-to-wall broadloom again in his committee room, as he apparently has a penchant for having—none of those expenses would be captured by the spending ceilings of the Election Finances Act. We certainly would not want him or the member for St. David (Mr. Scott) running up once again these bills in excess of \$100,000 for a simple little provincial general election.

We are pleased to see this amendment changes "during" to, in effect, "in respect of." In other words, all campaign expenditures before the writ and after polling day will be captured, as was the original intention of the assembly with Bill 103, by the expenditure ceilings. We are pleased that loophole has been closed and we are pleased to support these amendments.

Motion agreed to.

Section 1, as amended, agreed to.

On section 2:

Mr. McFadden: Briefly, section 2 relates to an additional subsection to be added to section 4 of the act. It states, "(4) The commission shall publish in the Ontario Gazette all guidelines provided by the commission under clause 1(j)."

If we look back at clause 4(1)(j), we find it relates to the guidelines passed under the act which the commission deems "necessary for the guidance of auditors, political parties, constituency associations, candidates and leadership contestants and any of the officers thereof."

I have a general problem. I hoisted this once before in the House. It is the utility of the Ontario Gazette as a way to spread information on a matter of considerable public importance. The regulations and guidelines passed by the commission will have an effect on literally thousands of people participating in the political process across the province. Very few people ever look at the Ontario Gazette, let alone receive it. I think it is safe to say that almost no lawyers normally read the Ontario Gazette. I wonder how many members of this House, if any, ever look at the Ontario Gazette.

1620

I simply raise with the Treasurer and the Commission on Election Finances perhaps for future review—I am not bringing it as an amendment now—the requirement that guidelines be published in a newspaper of general circulation within Ontario. While there is obviously an obligation on the part of political parties to make sure their constituency associations and other people are aware of all these changes, that is often not always possible, perhaps not with any haste.

In particular, if guidelines were suddenly to be promulgated just before a writ came in, there might be some difficulties created in ridings throughout the province. They might not be aware of the changes and would not be reading the Ontario Gazette, which, as I say, probably no riding president of any party in Ontario reads.

I simply raise with the Treasurer the fact that obligations are created under this act, not only for the central parties but also for constituency associations. As a vehicle for promulgating, publishing or making the guidelines known, the Ontario Gazette is of very little importance.

The commission relies on the mails and sends out all kinds of things, but I do not see the sense of making an amendment to an act requiring publishing, which is obviously intended to add something to what is now going on, if all we are adding is the Ontario Gazette. It is essentially a marginal, if not useless, form of communication for the general public.

Hon. Mr. Nixon: The utility of using the Gazette is that it is the official way in which regulations are made public. I do not read it very often, although I provide a copy for the table near the stove at Earl's Shell service station. It is amazing how these regulations are perused by the gentlemen who are able to spend a few hours in there from time to time. Therefore, it is not right to say it is not read; it is perhaps not read by lawyers, but it is read by the real people.

In my view, the suggestion to publish these guidelines in a paper of local circulation is not practical in that the guidelines may be quite lengthy. It might be like publishing the manifesto of the Progressive Conservative Party, if it can ever get one. That might be a good thing to do. I find that even all that fine print, however compelling in meaning, still does not command the attention of the general newspaper readership. There is no doubt the information would be generally available and I expect it would be mailed to all candidates, presidents, official

agents and so on by the Commission on Election Finances.

My own view is that ample funding will be provided. I believe there will be ample initiative in the staff and leadership of the commission so that no one who should know about these things will be ignorant of them. I am quite convinced the dissemination of these facts will be sufficient.

Mr. McFadden: I know the customers of Earl's Shell are people of great legal erudition and are very prone to reading the Ontario Gazette. They probably also read the police gazette and other gazettes that might be there.

The point I would make on what the Treasurer has raised this afternoon is that there are many matters that are made available to the public, redistribution materials and so on of a fairly complex type, that have been published in the newspaper. They are fairly technical, but publishing them informs the public of what is going on, at least those people who are concerned and have an immediate interest.

The province publishes all kinds of legal notices across the province—government tenders, advertisements for job positions, notices of committee hearings and so on—that are sent out to inform the public. I know some of the guidelines are involved, but I would still suggest that in the future some consideration should be given to the dissemination of these guidelines through newspapers of general circulation, perhaps by way of an insert in the Saturday edition, a full page or whatever.

I am not suggesting it be done monthly or anything, but surely, given the fact that this is going to have an impact throughout the province on a lot of people who are volunteers and who will find themselves under this act liable in the legal sense for their actions, and who could find themselves in a position where they might be prosecuted in a court of law—it is not likely, but they might be prosecuted—I think every effort should be made to inform people across the province in an easily readable and recognized way. While the mails are fine, I suggest it would be advisable for the government to consider using the general mass media as well.

In addition to that, while I focused my comments on the party people, the people who need to know in the course of carrying on their functions, I suggest to the government House leader that perhaps there is some benefit in the general public also having a chance to see what the regulations are that the parties are being forced to follow. They are certainly not going to get those mailings from the commission, and the

general public, outside of Earl's Shell, will not likely be reading the Ontario Gazette. Therefore, there would be some benefit as well in terms of public education to publish these guidelines in the newspapers of general circulation.

Section 2 agreed to.

Sections 3 and 4 agreed to.

On section 5:

Mr. McClellan: Very briefly, since I assume the commission will be reading the debates of this particular afternoon, a couple of changes have been made, adding constituency association and political party to the list of references that have to be named on political advertising, handbills, placards, posters, broadcasting and advertisements. I hope the commission will exercise the kind of common sense that the chairman of the commission is famous for and not require, for example, for election signs that may say "Re-elect Robert Nixon, Liberal," his volunteers then to have to turn the signs over and stamp them individually by hand, "Authorized by the Brant-Oxford-Norfolk constituency association."

One would expect that the printing of the party affiliation on the front of the sign would be sufficient identification to conform to subsection 23(5) of the act. Again, I red-flag this more for the benefit of the commission as it develops its regulations and guidelines than for any other reason, so that we not be encumbered with busy work, which can occupy thousands of hours of volunteer workers' time during an election campaign, as is felt to be required under the federal legislation, where people have to sit there stamping documents, pamphlets and posters by hand, indicating that they are personally authorized by the political party.

The only other point I would make is that, having been the beneficiary of unsigned hate literature—I guess that is the only thing one could call it—from the Campaign Life Toronto organization during recent election campaigns, I am pleased that there is a requirement that groups distributing literature during election campaigns be identified. I hope the kind of scurrilous hate literature that has come to characterize election campaigns in Metropolitan Toronto will be stopped by the necessity of identifying oneself if one wants to make accusations that particular candidates are murderers or whatever epithets people may feel appropriate to bring out during election campaigns when they are able to hide behind the cloak of anonymity. I expect this section of the act means that those days of cowardly anonymity will be put to an end.

1630

Mr. McFadden: I wanted to echo what the member for Bellwoods (Mr. McClellan) has said. The federal regulations require—at least they seem to require—on the bottom of everything, from pamphlets to signs to anything that comes out, to be authorized for publication by Joe Blow, the official agent of such-and-such a candidate. When one looks at it one wonders who is being promoted. They put the name of the official agent as well as the official agent's official position in the campaign organization. I do not think that adds an awful lot to the public's understanding of what is going on.

I assume—and I am not sure; I would have to look at the federal guidelines—that the federal guidelines at least require that the official agents' names appear on the pamphlets and so on to show what their position is in the campaign organization.

It struck me as a completely useless waste of time to have to add that in. The voter is left with some confusion. I have noticed in some material with all this added print that it confuses the message it is trying to get to the voter. I assume that is not our objective here.

I hope that whatever guideline is specifically developed here does not contain a requirement that the official agent's name and official title in the campaign has to be on everything. Provided the party's designation is on there, that should be adequate for the purposes of designating that it was authorized by the party. If there is some later problem, that could be dealt with by the party or by people making complaints. I do not think it adds a lot to have a lot of excess printing on promotional materials.

Section 5, as amended, agreed to.

Sections 6 and 7, inclusive, agreed to.

Bill, as amended, ordered to be reported.

On motion by Hon. Mr. Nixon, the committee of the whole House reported one bill with a certain amendment.

INFLATION RESTRAINT AND PUBLIC SECTOR PRICES AND COMPENSATION REVIEW REPEAL ACT

Hon. Mr. Nixon moved second reading of Bill 163, An Act to repeal the Inflation Restraint Act, 1982, and the Public Sector Prices and Compensation Review Act, 1983.

Hon. Mr. Nixon: The repeal of these acts is proposed because the periods of wage and price control covered by the acts have expired. Changes in group compensation plans imple-

mented without following the filing procedures required under the Public Sector Prices and Compensation Review Act, 1983, are validated. The Inflation Restraint Board established under the Inflation Restraint Act, 1982, is, notwithstanding the repeal of the act, continued in existence for the limited purpose of implementing the decision or order of a court or a proceeding commenced before the day this repealing act comes into force.

Mr. Foulds: I would like to know the names of the members of the Inflation Restraint Board, whether they will continue to get a salary during this wind-down period and what that salary will be.

Hon. Mr. Nixon: I should be able to give the member the names.

The Deputy Speaker: Excuse me. Before that, do we have any other comments and questions? There being none, reply.

Hon. Mr. Nixon: I should be able to name them. They are in fact officials of the Treasury who act on a pro forma basis only and receive no additional emolument.

Mr. Foulds: I rise with a certain amount of sense of irony and considerable satisfaction. It is a good day to see the repeal of these acts. As the parliament will know, if not the people of Ontario, it was the New Democratic Party and the New Democratic Party alone that opposed these acts back in 1981-82. We opposed them with vigour and I think with considerable justification.

The inflation restraint acts, as they were passed at both the federal and provincial levels, were nothing more than an attempt to restrain wages. They did very little to restrain undue price gouging, either in the area of insurance that the Minister of Consumer and Commercial Relations and Minister of Financial Institutions (Mr. Kwinter) is so well aware of or in other areas.

After the act was passed, when we brought to the attention of the various Conservative ministers these injustices and increases in the price of goods and services, we were told they had jurisdiction over only the public sector. It is true they brought this in only in terms of the public sector in Ontario, in those boards, agencies and commissions and the public sector employees they could affect by their transfer of payments. But I point out that those public sector employees still had to buy goods and services such as mortgages, homes, food and clothing in the market and that market often jumped far more

than the restraint under which these employees were held.

The act, as it was officially passed and supported by both the Conservative and Liberal parties, was basically an unfair act; an unfair act against a group of employees and an act that retroactively ripped up contracts that had been agreed to. Therefore, it is with a good deal of satisfaction that I see this act finally and officially repeals the previous act. I hope, though, as I take some satisfaction in approving and supporting this act, this parliament passes legislation like the Inflation Restraint Act never again in the future. I know the sentence is convoluted, but I hope my meaning is clear.

I would hope that never again would this parliament pass a piece of discriminatory legislation against one group of employees. When we pass a piece of legislation, I hope we observe the principle that it be fair and that it be fair in terms of our total society. I do not know a time in provincial legislation when I have seen what was in fact a labour relations bill, passed under the aegis of the Treasury, that did so much to harm labour relations negotiations in the public sector and so much to develop a feeling of being victimized. That is another principle of law that we should pay attention to. An act must not only be fair; it must also be seen to be fair. On that basis, the original act fails altogether.

1640

It was a very sad day for this Legislature when the original act was passed. It was passed in a majority-government situation, but it did have the support of the official opposition. Until a government in this country has the guts actually to bring in legislation that talks about price controls—goods and services controls—it should not bring in a piece of legislation that overrides the Labour Relations Act and brings in wage controls.

I say very strongly to the Treasurer that it is a very grave disservice to the collective bargaining process and a very grave disservice to our society as it has developed in terms of fairness. I say to my colleagues in the Progressive Conservative Party, who are now in the official opposition and not in government, that it was shameful for them to bring in the act in the first place, and I am very pleased and delighted to see it being repealed finally and officially today. Frankly, I wish the repeal of the act had happened about five years ago.

Hon. Mr. Nixon: I thought it appropriate to say just a word. I unfortunately missed some of

the body of the honourable member's speech, but I know its tenor.

I was a member of the official opposition when this legislation was brought forward and I well remember the debates, the votes and the action around here when the legislation was established. I am glad to have it repealed.

On the other hand, I have to tell members of the House that the buoyancy of the economy now makes it a little easier for us to pay our bills and to contemplate expanding programs. It also makes it easier for the official opposition to call for a reduction in taxes at the same time as they call for the four-laning of Highway 69, Highway 11 and Highway 17. Those are factual matters.

I am very thankful as Treasurer that I have the responsibility of this office at a time when there is a buoyancy to the revenues; there is no doubt about that. I am not taking credit and I am not assigning blame. I am just stating a fact. However, we all know, having lived through Ontario's economy now for many years—whether in our official positions or otherwise—that these matters are cyclical. I know that the difficulties the province experienced in 1982 where serious ones indeed. I agree; I am glad the bill will now be repealed and I am glad the state of the economy permits that to occur as well.

Mr. Foulds: Does the member for Dufferin-Simcoe (Mr. McCague) wish to comment or question?

I want to respond to the Treasurer. I know that in the current international situation, and because we as a province do not have absolute control over our own economy, there will continue to be cycles in the Ontario economy. Frankly, I worry that the experience of northern Ontario in the past two years will be an experience that the province as a whole may very well find itself faced with, starting perhaps as early as next fall. I would therefore also very strongly suggest to the Treasurer in response at this time that it may be necessary for him to find additional sources of revenue.

However, I hope he will not bring in a piece of legislation such as was brought in by the previous administration. In fact, I urge him strongly never to bring in a piece of legislation that victimizes one sector of society in an effort by the government to try to meet its fiscal and financial obligations.

I could not agree with the Treasurer more: I think it is hypocritical for the official opposition to be talking about cutting back taxes, cutting back on provincial revenues and advocating an expansionary expenditure program. However, I

hope he finds it possible in the future, if it is necessary to increase revenues, to have the courage to do that through a fairer system rather than artificially restraining the wages of one sector of our economy, namely, the employees in the public sector who have to buy on a market that is subject to inflationary pressures.

Mr. McCague: Nobody is surprised by the comments of the member for Port Arthur (Mr. Foulds). I remember them well when this bill was before the House. As the Treasurer has said, part of the good fortune he enjoys today as Treasurer is the buoyant economy. It is probably related to this type of a mood that was made at the proper time. The member for Port Arthur uses words like "victimized." I do not recall anybody being victimized by this act, unless it was the members of this House.

He will recall that we had to sing to the same tune as the public service at the time. The settlements awarded to the civil servants were appropriate and in line with what was going on in the private sector. It was a good signal that this government, along with this House, sent out. It was not with the support of the New Democratic Party, but it was with that of the other two parties. That was a good signal that went out to the public sector at that time, and I think it served us well. It would be nice to be the Chairman of Management Board or the Treasurer in such a buoyant economy.

The Treasurer was talking about roads, and I want to take a minute to get some information from him. There was a discussion today between our leader and the Minister of Transportation and Communications (Mr. Fulton). Our leader correctly pointed out that there were a certain number of dollars in the budget of the MTC. Where the argument broke down a little bit is that the Treasurer has chosen to put capital expenditures in a different grouping.

Referring to this document of November 1986, the Treasurer has capital expenditures of \$2.4 billion. Could he provide us with a list of what is entailed in that \$2.4 billion? He might agree to do that or he might not. I know why he did it this way; so we could not find out. However, with his open government, he might now agree to let us in on what the breakdown of that \$2.4 billion is, so that my leader and his Minister of Transportation and Communications do not get into any further arguments.

I am happy to see the repeal of this bill, as is everybody else. No one likes these kinds of things, but there are occasions when governments have to take leadership. I believe that is

what we did in this case, backed by the Liberals and opposed by the New Democratic Party. That should be no surprise to anybody. We know where they are coming from, they know where we are coming from and we should not fight about it.

Hon. Mr. Nixon: I cannot provide the information wanted by the member, but I will see to it that an appropriate list of capital expenditures is provided. I do not have it here and it has nothing to do with this bill, although it follows from question period.

I want to comment for a minute on what the member has said about what has to be done in tough times. Just as surely as we are in buoyant times now, the other kind will return, in spite of the marvellous management the economy is going to receive in the province—perhaps in spite of that.

1650

Where new and innovative programs are brought forward by a farsighted government such as ours, we see they include year-by-year costs that naturally grow as the uptake of the program increases. The honourable members who have had these responsibilities will know how almost frightening it is when a small program is projected over four or five years, not just with inflation, but with general uptake. It is fine when one can see the buoyant revenues supporting that, but in the long run, the time will come when there is nothing to do but to borrow more money, raise taxes or cut programs. Cutting those programs has to be in an orderly, understood way which is presented to the Legislature and either approved or rejected by it.

We are completing an historic cycle. From my experience, as one cycle finishes, the next begins, with all that it holds and with everything that is unpredictable.

Motion agreed to.

Bill ordered for third reading.

FARM LOANS AND FARM LOANS ADJUSTMENT REPEAL ACT

Hon. Mr. Nixon moved second reading of Bill 164, An Act to repeal the Farm Loans Act and the Farm Loans Adjustment Act.

Hon. Mr. Nixon: The repeal of these acts is proposed because the procedures contemplated by the acts are no longer used. Investigation does not disclose any existing farm loan associations. However, the bill provides a mechanism for dissolving any farm loan associations that may subsequently be found to exist. Although there

are no outstanding loans under the Farm Loans Act, past experience indicates that some mortgages may not have been formally discharged when the loans were repaid. Therefore, the bill provides a mechanism to discharge such mortgages.

Mr. Stevenson: I would like to make a few comments on this bill. By the way, we will be supporting the bill.

The Acting Speaker (Mr. Morin): Order. Are you questioning or making a comment?

Mr. Stevenson: No.

The Acting Speaker: Are there any questions or comments for the minister? If not, debate.

Mr. Stevenson: Sorry, Mr. Speaker, I got a bit ahead of the procedure there. We will be supporting the bill to repeal the Farm Loans Act and the Farms Loans Adjustment Act. As the Treasurer said, these are both acts that have been on the books for some time and that have not been in use for some 20 years.

It is symbolic of the lack of concern this government has shown for the very distressed position food producers in Ontario are in right now. It is somewhat of a symbolic slap in the face to the New Democratic Party. For some time that party has had in its platform some of the items that are in place in the Farm Loans Adjustment Act. I am very aware that the items in this act are of a much narrower scope than the NDP has had in its platform.

It is interesting to note that the Farm Loans Act, which I believe was passed in 1921, was set up to allow local associations—one could almost call co-ops—to go together, raise money by selling shares and then lend that money out to local farmers.

The Farm Loans Adjustment Act was passed some years later because the farmers ran into difficulty in paying back these loans, which is precisely the position that about one third of the farmers in Ontario find themselves in right now. They are in a relatively desperate financial condition and unable to repay the loans they have taken out in recent years.

The Farm Loans Adjustment Act, interestingly enough, allowed a person who was liable for payment of one of these loans under the old Farm Loans Act to go to the commissioner of loans and have the loan reviewed by a judge for the purpose of obtaining relief to meet the following requirements: a reduction in the amount of principal outstanding, a reduction in the arrears of interest and an extension of time for payment of the loan. Those concepts have been talked about for some

time in more recent years. There is some view that those exact things are needed today to deal with some of the financial problems farmers are facing.

Again, it is somewhat symbolic of this government's approach, just when the corn producers announce in the paper that they are turning their guns on the Ontario government because the government clearly has not lived up to its duty to assist the farmers of this province relative to what other governments have done, specifically the federal government, Alberta and Saskatchewan and, in particular, the government of the United States.

With this government coming very short on its share of the funding and at a time when farmers are very much aware of this, here we are repealing an old act. It is strictly symbolic, but it is rather interesting that the government has chosen this particular time to bring forward the repeal of these old acts.

This very day, members of the Wheat Producers' Marketing Board were in to see the Minister of Agriculture and Food (Mr. Riddell) to ask for substantial additional funding for the farmers of Ontario. The basis of their request was to get the government of Ontario to match the federal government's share under the special Canadian grains program.

Some other situations are worthy of note because of the timing of this and the symbolism that is behind the withdrawal of this bill. The current minister has done a real song and dance on farm debt review boards over the past few years and has come down solidly on both sides of the issue. There are calls for putting more legislative teeth into farm debt review boards, and that would do exactly what the Farm Loans Adjustment Act did and exactly what I read out just a few moments ago.

1700

Mr. McGuigan: Is the member in favour of that?

Mr. Stevenson: No. I am just commenting on what is going on. It is not a matter of what the view of this party is; we are talking about government actions here today and that is what I am going to speak to.

We now have a farm debt review board in place federally and the members of that board are extremely busy at the moment going around the province reviewing the desperate financial shape many of our producers find themselves in and, indeed, doing precisely what this Farm Loans Adjustment Act calls for, but not going quite as

far because it does not have the mandate to write down debt or write down interest.

However, in the review of the individual farm situations, they are acting as an intermediary and at least in some cases are successful in getting agreement between the lender and the borrower to make some changes in that debt in the hope of saving the operation, putting the debt in somewhat different form so that the farmer or farm family can afford to carry on under some different terms and afford to pay off that debt over a period.

It is passing strange that this act comes forward just at a time when that board is getting under way.

I mentioned earlier the situation with the corn producers and the winter wheat marketing board. The call for more funding from the provincial government to help under the current situation will without a doubt become more active in the next few months.

It is interesting that at the farm meetings that are going on around the countryside right now, the Ministry of Agriculture and Food is handing out a fairly extensive document, called *An Aid for Crop Budgeting*, which gives the approximate cost of production for most of our major grain crops in Ontario. If one gets that out, one can very easily see that for corn in particular and some other grains it is virtually, if not totally, impossible to sit down and pencil out a profit for any of those commodities.

At the same time, the corn growers just across our international border here are getting in excess of \$4.28 a bushel for the same sort of corn and in some cases the same varieties as we grow right here in Ontario. It is clearly a very unfair situation and a situation that cannot possibly be addressed in the marketplace. The only way for it to be handled is for the governments in this country at least to keep our farmers approximately abreast of those of other nations, particularly the United States and Europe.

It is interesting, too, that in the US, where there has been a major change in philosophy since December 1985, a good chunk of the money goes to the farmers up front before the crop even goes in the ground, while here in Canada we wait for many months after the crop is harvested, in many cases after the stuff is sold and used, before the funding comes forward.

Clearly, the federal government has moved and in general the payments under the special Canadian grain program have been relatively favourably received. Now it is up to the province to come up with its share in helping producers in

Ontario attempt to compete in a marketplace that is being highly distorted by funding to producers in other nations and leaving us in a very unfair position in Ontario, not even in as good a position as many producers in other parts of Canada.

On another issue, we are trying to help farmers on the revenue side and get help out to them. We are dealing with these bills to cut out the old Farm Loans Act when we have something in place that will help them—for example, the farm tax rebate, which is operative now. The money is usually out in September; this year the forms arrived to many farmers in December and January. Not only are we dealing with cancelling some old acts, but the government cannot seem to handle properly the ones that are on the books.

At a time when the pocketbook of the Premier (Mr. Peterson) is growing in government revenues at an unprecedented rate, revenue to farmers is going up ever so slightly and, in many cases, decreasing. Farmers need every bit of help they can get to compete with those in other jurisdictions. It is ironic that we bring this legislation forward at a time when farmers really need the help.

Mr. McGuigan: I would like to comment on the Farm Loans Adjustment Act and the fact that it is being repealed. At the time of that act, and I do not know the exact date, but I assume it was some time after the crash in 1929 or maybe the early 1930s—

The Deputy Speaker: Order. This is the time for questions and comments on the comments made by the member for Durham-York (Mr. Stevenson). You must not talk about the bill.

Hon. Mr. Nixon: Rather than wait until the end of the debate, I would like to make a comment. I think the member for Durham-York is well aware that these two acts were not that successful and the associations envisaged under the Farm Loans Adjustment Act no longer exist.

It is interesting to note that while the idea was an interesting and innovative one for its time, it involved even the ability of the local municipality to buy shares in the loan association itself, so that the local municipal government could contribute money that would then be available to lend to farmers. No one can say it was not innovative. The only problem was that it did not seem to work as well or with as much acceptance of the innovation as the government of the day had probably hoped and expected. While we did a careful search, none of these associations exists, although the repeal bill has within it a structure that if there are some with undischarged

responsibilities, they are still officially and legally looked after.

The second bill, which is the Farm Loans Adjustment Act, does not deal with farm loans on a broad basis that would normally be from the Farm Credit Corp. Canada, the Bank of Montreal or something like that, but only loans that were made under the Farm Loans Adjustment Act, which is itself largely functus. We are now administering the coup de grâce.

The whole concept in these two bills was an extremely imaginative one. One of the alternatives would have been to look at this and breathe life back into it. Instead of that, the Minister of Agriculture and Food has a spectrum of new programs. I agree with the critic for Agriculture and Food in the official opposition that they should be richer, and they have been substantially enriched both in numbers and in funding.

1710

Mr. Stevenson: I am aware, of course, of the nature of these two acts and I am aware that the Farm Loans Adjustment Act has a very narrow scope. I was speaking largely to the symbolism of what we are doing here today. I would also agree with the Treasurer about the last three budgets in Ontario. If my numbers are correct, the last budget by our leader had a 16 per cent increase for agriculture. I believe this Treasurer's first budget was 21 per cent, the last one was 13 per cent and there has been some topping up since then.

Under any normal situation, those three budgets, with that size of increase, would have adequately addressed the needs of the agriculture industry in this province. Since December 1985, unfortunately, we have found ourselves in a very different world of support for agriculture around the world really, particularly in the United States with its massive impact on all the other producing nations. Unfortunately, even though there have been substantial increases to agriculture, we now find ourselves in the position that we are losing the race at a very rapid rate and are falling further behind all the time.

We must renew our commitment to increase funding to agriculture. The fact that our producer groups are coming in even at a time when budgets have been going up clearly indicates we are not meeting their needs and that farmers in other jurisdictions are doing substantially better than our people as far as government support is concerned.

Mr. Swart: I rise to speak on this quite briefly. I do so with some enthusiasm, partly because I have not had the opportunity to take

part in any agriculture debates or to ask questions, as I had when I was the Agriculture and Food critic. Therefore, I am glad today to be able to take the place of the member for Essex North (Mr. Hayes), who is not feeling very well and is not able to be with us.

The first thing I would like to say on this, and it is not really very important, is that I am a little puzzled about why the bill was brought in by the Treasurer, although I realize it deals with financial matters. However, it really is a matter of concern to agriculture, and I would have thought perhaps it would have been brought in by the Minister of Agriculture and Food and he would have been here today to hear the debate. As I say, that is probably not terribly important.

In fact, I have to admit in rising to speak on this bill that I did not know this legislation existed before the bill was brought in to repeal it. I guess that is because, certainly since I have been in this House and a long time before that, it has not been in use. Even while I was involved in municipal government in a rural community, I did not know it existed either; it was never brought to our attention there and it was never used.

I suspect, because I heard nothing about it, that it was not used in the Niagara Peninsula at all. Perhaps one reason it was not used is that it did put some moral obligation, at least, on the municipality to provide some assistance in these loans, actually to buy shares in these companies, and too many municipalities were not anxious to do that, especially after the second bill was passed in 1947, which provided for payments on loans to be written off or postponed.

What this bill shows me is the existence of these two acts and that there certainly is legislative power in Ontario to provide for legislation which will postpone or write off payments of farm loans. I realize that these farm loans may come under federal jurisdiction. That may in fact not be the case. However, the legislation which was passed in 1921 was, at least to some extent, the basis for legislation which was passed in 1933 or 1934 in the depth of the Depression when the province took responsibility for postponing or writing down the payment on loans and the amount of the capital. This demonstrates, as that bill did, that this Legislature does have such power.

I recall raising this a number of times with the previous government on that side when I was agricultural critic. The answer always was, "We do not have the power to do it." They may not have had the power in several applications, but

they did have it with regard to provincial applications, and that was just an excuse.

The thing that bothers me a bit about repealing these acts is that nothing is being put in their place. Admittedly, the government does have other farm loan programs at present, but as the member for Durham-York pointed out, they are not adequate to deal with the situation we have in Ontario. They do not compare to the adequacy of the systems that we have in many other agricultural provinces in this nation or to the policies in the United States, with regard both to loans and to other forms of assistance to the farmers.

Maybe, as the member for Durham-York said, there is a symbolism that at this point we are withdrawing an act that provides loans to farmers that could have been adapted—extensively, agreed, but it could have been adapted—to be used at present. I am not sure we could not have worked out something whereby there could have been funds made available to municipalities that could have been used for the farmers in those municipalities in the case of real need. It might have been a way to localize the decision-making process back to the local municipalities. They might have been able to adapt this to have something that was useful and workable.

Instead of that, it is being abolished and in no other place on the books of Ontario will there be, to the best of my knowledge and I think to anybody's knowledge, any authority in place to write down or postpone the payments on loans that farmers have acquired from financial institutions.

The member for Durham-York mentioned the inadequacy of the government programs. I just want to emphasize as well the difficulty the farm debt review boards are having in dealing with the numbers of applications and the seriousness of the applications that are being brought before them at present. There is no question that far more farmers will go into liquidation, if prices stay as they are now for many of the crops, than in any year since the Depression.

It is a little depressing to be dealing with a bill that removes something that is there in this field, even though it is not being used, instead of initiating something to provide some remedy to a serious situation that we now have in the agricultural community.

1720

Having said that, because in their present condition these bills cannot and are not being used and serve no useful purpose even though they could have been adapted, I and my party will

be supporting Bill 164, which repeals the two other unused acts relating to loans to farmers.

Hon. Mr. Nixon: It might be appropriate for me to answer one question the honourable member put forward, that is, why the Treasurer is dealing with this. It is because one of the important aspects of the bill was that once a farm loan association was established, the Treasurer had a responsibility to buy shares in it. That is very interesting indeed. The application to the Treasurer from the farm loan association made up a large proportion of the capital that could then be lent out.

It is an interesting discussion. I am quite engrossed in what the members are saying, but we should be aware that the limit to any loan from this was \$2,000 and it was to be spent only for things such as the purchase of seed, feed, fertilizer, implements, cattle and so on. That \$2,000 would not go very far now. As well, we have a program which applies itself directly to the provision of an operating line of credit to farmers who successfully apply under our program. The assistance comes through the banks, but the payment of assistance comes directly from the government to the farmer concerned.

We should not get the impression that somehow we are losing something other than an extremely interesting antique. The concepts in it and the fact that the government had the power to do this with respect to loans over which its own legislation originally had direct enforcement are quite interesting. Who knows when it may be applied?

Mr. Stevenson: I have a brief comment in line with what the member and the Treasurer have just said. Possibly the member for Welland-Thorold (Mr. Swart) would know what farms were selling for in those times. Two thousand dollars sounds like a very limited amount of money today. Quite frankly, it is of relatively little use in today's agricultural economy. It is almost petty cash when one sees the bills coming in on farms, but I suspect in the 1940s there were lots of 100-acre farms selling in the \$8,000-to-\$15,000 range in Ontario. When we relate this back to the 1920s when the first act was brought in, I suspect \$2,000 would not be out of line for buying a farm.

With regard to the operating credit that is described in one bill, \$2,000 would probably have provided most of the operating capital, the money for liquid assets, that those operators would have needed at that time. Although it may seem like a petty-cash issue today, in those days

it would have been a very significant loan. If anybody took out a \$2,000-loan, he probably had himself relatively highly levered. After they went through the Depression, I can understand why some of them may well have required the Farm Loans Adjustment Act to help get them through a very tough situation.

Mr. Swart: Very briefly, I should admit I knew the limit was \$2,000. As the member for Durham-York has said, in that day that was a fairly substantial amount of money for the purposes in the act. All of us realize it is totally irrelevant in today's society.

It was my suggestion that we might have been able to adapt it, to have made amendments to it and to have made it a useful piece of legislation. I realize it is an antique to some extent and perhaps it is better to bring in new legislation. I will be quite satisfied if the Treasurer will get up and say the government is going to bring in new legislation with a program of additional loans to farmers and with a provision for write-off or postponement.

Mr. McGuigan: I must confess that, like the member for Welland-Thorold, I was not aware of the existence of this act. Nevertheless, I would like to point out that it has no relevance today. Back in those times, a good deal of farm debt was held by private individuals, whereas today the debt is held largely by banks and by the government of Canada.

As a matter of interest, I remember that when I was a youngster there was a neighbour who had a lot of traffic in and out of his yard. He was a bachelor who lived with his sister on a very good farm. I asked my father one day what all the traffic was about. He told me it was people going there to pay off their mortgages or to make payments on their mortgages. This gentleman and his sister, because they had no family or children, had very few expenses and acted as a local banker. That was the type of financing a lot of farmers had in those days. Today there is not that type of farming except for transfer of land where one family is handing it down from one generation to the other. Most of the debts today are with the federal government.

Mention was made of the possibility of adjusting debts. That was done in 1934 by the federal government, which brought in the Farmers' Creditors Arrangement Act. Under that act, settlements were often knocked down. In fact, on average they were knocked down by 35 per cent on the land and by 45 per cent on the machinery. It made a good deal of sense. You could give a

moral plus to the system because they were in an age of deflation.

The money that remained even after the debts were knocked down had greater purchasing power than the money that was lent in the 1920s. In effect, you were not doing any harm to the people to whom the money was owed. They had as much or more purchasing power when they finished after the Farmers' Creditors Arrangement Act that changed their debt than they had before.

This is the great dilemma that faces governments today, whether federal or provincial. We are not in a period of deflation except in agriculture. Admittedly, we are in a period of deflation in agriculture, but we are not in a period of deflation in general currency. Any government that re-enacted the Farmers' Creditors Arrangement Act under present conditions—I am not saying it will not be necessary at some time—would immediately arouse the ire of farmers who wish to borrow money. As soon as one puts these arrangements in place, it is a disincentive to lend money. Those farmers who are still operating and wish to borrow money would say, "Do not go ahead and do that because you will spoil my chances."

As a matter of fact, going back to the 1934 act, it was not until the 1950s—1952 would probably be the watershed because of the Korean War and the increases in prices brought about by it—that the banks got back into active lending of money to farmers.

We support the removal of these two antique acts. We just point out that it is not the easiest thing in the world to bring back the Farmers' Creditors Arrangement Act because the farmers themselves are very much divided as to whether they want that act.

1730

Mr. Villeneuve: I also want to participate in this debate for a short period of time. As a former employee of the Farm Credit Corp., I believe I have lived at first hand some of the inflationary times in agriculture and some of the deflationary times in agriculture that we are experiencing right now.

I realize the vast majority of credit currently in use on Ontario farms does come from credit unions, banks and whatever and not from private individuals, as was the case many years ago. Certainly, Bill 164, An Act to repeal the Farm Loans Act and the Farm Loans Adjustment Act, is something our party will support.

However, I wish to express some degree of apprehension about the timing of the repeal. We

have situations in agriculture, particularly in those areas that are not supply managed, where there are very difficult problems, as I am sure the Treasurer and the Minister of Agriculture and Food know.

The application for tax rebates has been a fairly major problem in the riding I represent. There are several municipalities that have expressed concern to me about why they have not received their applications for rebates. Many of them have still not received their applications for tax rebates. I touch on this simply because it is the largest farm assistance program this government provides to Ontario agriculture. The farm tax rebate exceeds \$100 million.

The US Food Security Act is a fact of life. It came into being in late 1985, a phenomenon that we in Ontario, and indeed in Canada, had never experienced. It is one that I believe will have some very dire consequences for Ontario agriculture. Agriculture provides employment for 20 per cent or more of the population and yet employs in the production of food something less than three per cent. Thus, it is a very important sector of our economy. The message being sent by this government with this timing is somewhat worrisome.

Nous avons, au niveau fédéral, la Loi sur l'examen de l'endettement agricole. L'historique de cette situation est que le budget fédéral du mois de février de l'année dernière annonce qu'un projet de loi visant à mettre sur pied un réseau de bureaux d'examen de l'endettement agricole serait présenté.

La Loi sur l'examen de l'endettement agricole est maintenant en vigueur. Le fonctionnement du réseau des bureaux d'examen de l'endettement agricole est comme suit: il va exister, dans chaque province, un bureau d'examen de l'endettement agricole dirigé par un président et ayant l'entière responsabilité de l'application de la Loi sur l'examen de l'endettement agricole.

Je me pose la question suivante: en ce moment, le gouvernement fédéral appuie et est même en train d'initier une loi sur l'examen de l'endettement agricole, tandis que le gouvernement provincial envoie le message qu'il est en train d'éliminer un projet de loi qui existe de longue date; projet de loi qui, entre autres, alloue (1) la réduction du montant du principal qu'un cultivateur doit à son créancier, (2) une réduction du montant des arrérages d'intérêts et (3) une extension du temps de remboursement du prêt.

C'est effectivement la situation que nous sommes en train d'enrayer avec le projet de loi qui est en Chambre en ce moment. Le message

semble alors contredire ce que nos collègues fédéraux sont en train de mettre sur pied pour essayer d'aider et d'améliorer la situation financière agricole dans l'agriculture ontarienne et dans l'agriculture canadienne.

Deuxièmement, le personnel travaillant au bureau d'examen de l'endettement agricole a à sa tête un gestionnaire général chargé de l'administration du bureau.

Troisièmement, le bureau possède une liste d'un certain nombre de personnes qualifiées disposées à faire partie des comités d'examen du financement agricole. Pour chaque examen de l'endettement agricole, un comité distinct de trois membres sera constitué par le président du bureau d'examen de l'endettement agricole.

It follows that the Farm Debt Review Act, which has been initiated by our colleagues at the federal level, seems to be almost in total contradiction to the message that is being sent currently by the government of Ontario. I appreciate that the law we are repealing today applied to only some \$2,000 of loans, which in the 1920s was a fairly large amount of money. In today's world, it is a relatively insignificant amount.

My concern is with the message this legislation sends out at this time. I assure members that we will be supporting this. However, I question the timing in relation to what is happening at the federal level under the Farm Debt Review Act.

Hon. Mr. Nixon: I have nothing further to say, other than that I appreciate the comments made by the honourable members, particularly their assurances of somewhat guarded support.

Motion agreed to.

Bill ordered for third reading.

SECURITIES AMENDMENT ACT

Hon. Mr. Kwinter moves second reading of Bill 156, An Act to amend the Securities Act.

Hon. Mr. Kwinter: I am pleased to present the Securities Amendment Act for second reading. The purpose of the bill is: (1) to increase the maximum number of Ontario Securities Commission members from nine to 11 and provide for the designation of a second vice-chairman; (2) to provide a framework for the recognition of clearing agencies by the commission, and (3) to replace existing provisions governing takeover bids and issuer bids.

As the first two matters addressed by the bill are largely housekeeping concerns, I will not expand upon them at this time. That section of Bill 156 dealing with takeover bids and issuer

bids is the result of the first comprehensive review of this area since 1965.

One major target for change is the follow-up offer obligation. This provision of the act now affects anyone who has acquired control of a public corporation by exempt private agreement at a significant premium above market price. It requires that a follow-up offer of similar value be made within 180 days to all shareholders of the public corporation with the same class of shares.

Because of a variety of significant practical and legal difficulties with this statute, the follow-up offer obligation has been replaced in the bill by increased restrictions on the use of the private agreement exemption. Under Bill 156, private agreements constituting takeover bids will be permitted only in deals involving no more than five security holders, and prices cannot exceed market rates by more than 15 per cent. Thus, instead of triggering corrective action once an inequity has occurred, the new regulations would help avoid unfair trades from the start, and this will better serve the purpose of existing provisions, ensuring that all shareholders of a class are treated equally.

The bill will also establish a system giving market participants early warning of possible takeover bids. Anti-avoidance provisions with respect to purchases before and after a bid are included. The takeover bid scheme is made applicable to nonvoting shares, and the restrictions on conditions to takeover bids are removed.

In addition to ensuring equality of treatment for shareholders, a major intention of Bill 156 is to help establish uniformity of regulation within national securities markets. A degree of standardization within securities legislation has become increasingly important with the development of electronic technology that enables investors to participate in the capital markets of jurisdictions other than those in which they live.

Bill 156 embodies a consensus among the securities administrators of Ontario, Quebec, Alberta and British Columbia that was reached in 1984. It is expected that similar legislation will be in place in Quebec, British Columbia, Manitoba and Alberta early this year, effectively establishing uniformity in takeover bid and issuer bid legislation across Canada. I believe the bill before the Legislature represents a significant improvement in the legislation relating to takeover bids and issuer bids and will encourage a healthy and fair takeover bid climate in Ontario.

1740

At this time, I would like to state my intention to move amendments to Bill 156 during commit-

tee of the whole House to deal with illegal trading on inside information. These amendments will provide for an increase in penalties for insider trading and a broader definition of who can be prosecuted for such activities.

Specifically, the amendments would make it an offence to buy or sell securities based on information received from an insider. Under current legislation, only the insider can be prosecuted, but the person receiving the tip, the tippee, cannot be held accountable.

New maximum penalties for offences under the Securities Act, including jail terms of up to two years and fines of up to \$1 million are also prescribed in the amendments. Fines for improper insider trading can be as high as three times the profit if we take into account the huge illegal profits that can be made through such activities.

Just as the provisions of Bill 156 protect shareholders' rights to equal treatment, these amendments will help uphold the right of equal access to information, further promoting a fair trading system in the Ontario securities industry.

Mr. Sterling: I indicate to the minister our hearty support for Bill 156. As the minister knows, this legislation is very similar to other legislation that has been before this House. As early as 1982, Bill 176 was introduced, which proposed to increase the commission by two part-time commissioners and an additional vice-chairman. That is included in today's bill; we take the number of commissioners from nine to 11.

In December 1984, we had Bill 159, which was introduced by the former Progressive Conservative government, before the House. It included all but the increase in penalties proposed by the minister today. Bill 156, which was introduced by the minister in November 1986 was virtually a copy of Bill 68. As the minister indicated, in December he said to this Legislature he was going to amend his own legislation and put greater penalties on those who were found guilty of insider trading and expand the list of those who could be attacked for insider trading.

The Securities Act deals with the governing of the commerce of trading stocks and shares of different companies in Ontario. This is a very complex and complicated area of law and regulation. The public expects the Legislature to protect them if they go into the market and buy a share, and they expect that those who have a better knowledge of what is going on in the market will not be at unfair advantage to them.

In some way, this bill improves the existing situation with regard to a number of areas where

the public was at a disadvantage to those who had a better knowledge and were involved in this on a day-to-day basis or had a very large holding in a particular company.

The increase from nine to 11 commissioners on the Ontario Securities Commission is a welcome move. Because of the complex nature of this legislation, there are many subcommittees of the commission and it is necessary for them to have more commissioners to do that business.

I am told by the member for Armourdale (Mr. McCaffrey), who could not be with us, that the commission needs another lawyer. I know all members of the Legislature will be gratified to hear that lawyers are needed in some areas. I see the member for Dufferin-Simcoe (Mr. McCague) agreeing with me on that point.

The second significant part of the legislation deals with protection for all shareholders when a large shareholder or large interest tries to take over a company. This legislation provides greater protection for the person in Ontario who wants to invest a small amount of his savings in the stock market. He will be treated the same as someone who has a great deal of money and is trying to take over a company. He will be offered the same deal as the large shareholder who has a controlling interest in the company. We support that very much. I am told that at present the practice of the commission is to enforce this kind of regulation that is in place at this time. I am told Quebec has this regulation already in place.

The last point the minister introduced and will introduce as an amendment deals with insider trading. The penalties for people who are caught dealing wrongly with information in relation to the price of a stock now are dealt with too lightly in the securities legislation. I believe the penalties are something like \$25,000 for a director and \$2,000 for other officers involved in insider trading.

Insider trading means that someone who is involved in a company takes advantage of his inside knowledge of what is going to happen in the future. He can predict that the price of a stock is going to go up or go down and he goes out and buys or sells stock in advance of the public having the knowledge he has.

The minister, I think to his credit, has attempted to expand the number of people who could be attacked for using inside information to gain undue profit at the expense of the general public. In his statement of December 11, 1986, when he indicated to this House he was going to introduce this amendment, he indicated that people such as the offerer's lawyer and accoun-

tant, fiscal agent or printer who got advance knowledge of some activity of the company that would indicate the price of the stock was going to go up and took advantage of it would also be subject to prosecution under the Ontario Securities Commission and would be subject to pretty stiff penalties.

One of the questions I have for the minister, to which I ask him to reply when he sums up on second reading, is, how does he foresee the enforcement of this provision? For instance, if the president of a company indicates casually to a friend when he meets him in a social manner that there is a bid to take over his company or if somebody overhears a conversation with somebody else, how is the person who receives that information and makes an undue profit ever going to be prosecuted?

While the intent is laudable, we do not know exactly how it is going to be put in place and how it is going to be enforced. I guess we would prefer that we pass laws and support amendments only when we are comforted that those laws are going to be enforceable in a real manner.

1750

In summing up my remarks, I would say that the last major review of the Securities Act, the securities commission, the whole ambit of the rules relating to stocks and stock trading, the protection of the public, was done in the Kimber report in 1965.

A number of incidents have recently been widely reported in the financial papers and in the daily papers that draw our attention to the fact that it is perhaps time again for a major look at the security laws. We have to refer only to the recent Canadian Tire case where the whole issue of the two classes of common shares was brought to the fore.

I believe we should look very strongly at the whole idea of two types of common shares. I believe a common share is a common share. Each one should attract one vote and should have equality in terms of controlling a company. However, suffice it to say that I do not know all the implications of making such a move in legislation. I think we should start down the road towards looking at those very fundamental questions. I suggest that the minister discuss with his cabinet colleagues the formation of a select committee of this Legislature to look into the major revisions in the Securities Act.

Such a process was undertaken by a select committee on company law to deal with the insurance industry, as the Minister of Consumer and Commercial Relations would well know. I

believe the work of that committee, although it took some time to complete, was well worth it. I believe that such a thrust by this minister would be appreciated, not only by the members of this Legislature and the financial community but also by the public of Ontario.

Hon. Mr. Kwinter: To comment very briefly, as we are going along, I want to thank the member for Carleton-Grenville (Mr. Sterling) for his support of the bill and his comments and to tell him I welcome his remarks. I want to answer his question on how we are going to deal with this tippee-tipper situation.

The problem has been not so much how we identify it, but having the mechanism to deal with it. What is happening is that when one has insider information, it is only insider information until it becomes public. The minute it becomes public, everybody can trade. What we have to do—it takes some effort but it can be done—is that if there is any untoward activity in a security before this information becomes public, then one is able to follow the trail and see whether there is any activity that happened as a result of information before it became public.

The problem we have had in the past is that we have not had the legislative ability to do something about it. What we now have is a situation where we can follow the trail, if someone is a printer or wherever he gets this inside information. As the member knows, they go from being a tippee to a tipper and then they change roles as they go down. We can follow that trail.

With this amendment, we will now be able to do something about it. The penalties will be very severe. As the member knows, it will be \$1 million or three times the profit plus a very onerous jail sentence. I think that part will work. Once we get the legislative ability to impose those penalties, it will work.

Mr. Sterling: I would like to thank the minister for his remarks. In order to clarify it, in case people are reading or watching this particular debate, I believe the legislation calls for a maximum of a \$1-million fine. If someone is found guilty of insider trading, that is the maximum fine; it is not \$1 million for each offence.

Mr. Swart: Mr. Speaker, I am looking at the clock and I know I am going to take more than five minutes. I suggest you might see six o'clock, but I am prepared to commence if that is your wish.

The Deputy Speaker: Why not start? We do have five minutes.

Mr. Swart: Very well.

I want to say immediately that I and my party are going to support Bill 156. Most of us recognize it is something of a complex bill on the matter of dealing with securities, at least to the uninitiated, and I presume that is the majority of people in the House. I extend our thanks to the minister for his provision of people in his office to explain not only the details of this bill but also some of the other intricate matters associated with dealing in securities.

This bill is supportable in every way. We see it as doing four things. The compendium lists three of those things and the minister has referred to the fourth item, which is about the prevention of inside trading. We know this bill is going to provide for an increase of two additional persons on the Ontario Securities Commission and the designation of an additional vice-chairman.

For reasons I will go into at some greater depth later, I doubt very much whether that is going to be enough. Given the fact that the government is proposing to open up the securities field to all the other financial institutions and to foreign investors, I suspect the amount of trading and the number of takeovers will increase quite dramatically and that two additional people on the Ontario Securities Commission may well be insufficient by a large margin to deal with the increase in the trading that will take place.

The second purpose of the act is to provide the regulatory framework with respect to the recognition of clearing agencies by the Ontario Securities Commission. We recognize the need for this. I am slightly confused about whether it is anticipated there will be only one, which seems to be the situation at the present time, or whether there will be a number of co-operative clearing agencies.

The minister speaks of clearing agencies in the comments in the compendium; yet my understanding is that for practical purposes it probably will be something such as one stock exchange and only one clearing agency. Perhaps the minister, either in his reply to my remarks or when he replies in his windup on this bill, will make some comments and clarification with regard to that. However, with today's new technology, I agree there is need for a clearing agency to a greater degree than there ever has been before, and I would certainly be supportive of that section.

The third section is the complex one and is the basis of the whole bill we have before us. After having rather lengthy discussions with researchers in our party and with the information which

came from the director of the Ontario Securities Commission, my understanding of it is that section 3, the bulk of this bill, does three things.

First, it brings the principle of takeover out into the open much sooner, so they cannot be surprised.

The Deputy Speaker: I notice you are starting on a new area. Perhaps, viewing the clock, you would like to move adjournment.

On motion by Mr. Swart, the debate was adjourned.

BUSINESS OF THE HOUSE

Hon. Mr. Nixon: Mr. Speaker, before you adjourn the House, I would like to announce to the members that rather than continue with today's order, by agreement, we are going to move to the bills of the Attorney General (Mr. Scott) tomorrow, beginning with Bill 161, An Act to amend the Courts of Justice Act, and then Bill 154, An Act to provide for Pay Equity in the Broader Public Sector and in the Private Sector.

The House adjourned at 6 p.m.

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Ontario

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Legislative Assembly of Ontario

Second Session, 33rd Parliament

Wednesday, January 28, 1987

Speaker: Honourable H. A. Edighoffer

Clerk of the House: C. L. DesRosiers



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LEGISLATIVE ASSEMBLY OF ONTARIO

Wednesday, January 28, 1987

The House met at 1:30 p.m.

Prayers.

VISITORS

Mr. Speaker: On behalf of all members of the Legislative Assembly, I would like to extend a very warm parliamentary welcome to the consular corps, our guests in the west gallery this afternoon. Please join me in acknowledging Mr. Taylhardat of Venezuela, dean of the consular corps, along with the other heads of posts representing 65 countries. Please join me in welcoming our guests.

MEMBERS' STATEMENTS

PROBLEM CHILDREN

Mr. McLean: I have a statement today which is directed to the Minister of Community and Social Services (Mr. Sweeney). Teenagers are able to defy their parents, the schools, medical help and children's aid society counsellors unless they have broken the law. There is no permissive legislation available that gives power to the children's aid society or to the parents to provide help for these children when it is needed.

I wrote a letter to the minister on December 2, 1986, regarding a constituent of young and tender years who was running the streets, involved in alcohol, drug abuse and petty theft. As yet, there has been no reply. There was no parental control and no way for the parents or the children's aid society to help by enforcing any discipline or behaviour modification. There are no specific laws that allow parents or guardians to take these distressed children under their care and bring them back within society's boundaries.

It is absolutely critical that the government come up with solutions to help this child and other such children. The government must look immediately into this grave problem and respond to the very real needs of these unfortunate children.

ENVIRONMENTAL ASSESSMENT

Mrs. Grier: It is now almost 18 months since a group known as the Project for Environmental Priorities asked all candidates for election to this House some questions about our attitude to the

environment. One question was, "Will you support a strengthening of the Environmental Assessment Act by restricting the exemption process and by extending the full application of the act to private sector projects?" The Premier (Mr. Peterson) answered yes to that question and so did most of the members of the present Liberal caucus. We have no evidence 18 months later of any intent to fulfil that promise.

Today the Canadian Environmental Law Research Foundation released a major study of the Environmental Assessment Act. This study represents the first comprehensive examination of the ways in which environmental assessments are prepared, reviewed and judged. The study finds that the act is sound in principle but flawed in practice and it makes a number of recommendations, one of which is that the government should announce immediately a firm commitment to regulating the private sector within 18 months.

If that timetable is adhered to, it will have taken three years from the date of the Premier's commitment to regulating the private sector to actually doing it. I call upon the government to respond quickly and positively to the study released today. Do not for pity's sake set up a task force to study the study. The time for some action has come, and we want the government to do it soon.

CHILDREN'S MENTAL HEALTH SERVICES

Mr. Andrewes: Previously, I have discussed in the House the problems associated with the operation of regional children's mental health programs and, more specifically, of the Niagara Centre for Youth Care. I wish now to expand on the problems faced by that agency.

Statistics show that one in five Ontario children suffers from a serious mental disorder. In Niagara, it is estimated that 19.5 per cent of all children suffer from some psychiatric disorder; yet in 1985-86, the Niagara agency was able to see only 2.8 per cent of the number of children at risk. More than half of them came from the city of St. Catharines, since lack of funding would not permit a greater regional outreach.

The Ministry of Community and Social Services admits to disparities in funding, since across Ontario the average expenditure on children's mental health is \$10.88 per capita, while in Niagara funding is \$4.25 per capita. Underfunding leaves the agency without the ability to pay staff properly or competitively with other agencies in the province. The disparity grows, and the Niagara Centre for Youth Care senses that its call for help is not heard by this government, which claims to make health care accessibility a priority.

CREDIT CARDS

Mr. Swart: I want to draw the attention of this House, and in particular of the members of the government, to the announcement made in Ottawa yesterday by the junior finance minister that Ottawa does not intend to do anything about putting a ceiling on credit-card interest rates.

We must all know that bank interest rates on credit cards, trust-company interest rates on credit cards, interest rates on department-store and oil-company credit cards are in the 21 per cent, 24 per cent to 28 per cent area. They have not been reduced in more than three years despite the fact that interest rates have gone down generally by more than two percentage points. Bad accounts, which were their excuse, are only half what they were five years ago.

The Minister of Financial Institutions (Mr. Kwinter) should be taking a stand on this issue. This is simply usury. I grant that he does not have any great legislative authority, but he could call the banks in and tell them he expects them to lower the interest rates on credit cards. He could take a position and demand action by the federal government. He could increase the taxes on the financial institutions if they would not do it. We must limit the rates on credit-card interest to five or six per cent above the bank interest rates.

1340

SPACE SHUTTLE CHALLENGER

Mr. Rowe: One year ago today, the American space shuttle Challenger blew up in the skies over Florida, killing six professional astronauts and schoolteacher Christa McAuliffe.

On behalf of the Progressive Conservative Party of Ontario and all members of the Legislature gathered today, I want to take this opportunity to pay tribute to these courageous men and women who died on that tragic flight. Our hearts go out to the families of the seven members of that tragic mission: Frances Scobee, Mike Smith, Ronald McNair, Judy Resnik,

Gregory Jarvis, Ellison Onizuka and Mrs. McAuliffe, the only civilian aboard the flight.

I am sure the horrendous event of that day is firmly fixed in the mind of every member of this House, every Ontario citizen and every Canadian. For example, young Tim Johns, a student at Barrie Central Collegiate, had made arrangements, along with his classmates at the school, to videotape the program and the lessons that were to have been taught by Mrs. McAuliffe.

It was a sad day, but I know Tim and his friends have not lost their interest in the American space program. They know, as we do, that the search for truth and excellence will and must go on. However, we can never forget the lessons of the past. We cannot allow Mrs. McAuliffe and her fellow astronauts to die in vain. Therefore, I rise in my place to remind the members of this House of the tragic event that took place one year ago today. I know they will join with me in sending the families of these brave men and women our best wishes.

Mr. Speaker: The member's time has expired.

Mr. Rowe: The sacrifices they have made will not be forgotten.

YOUTH EMPLOYMENT

Mr. Allen: I rise to comment on the student summer work program of \$45 million announced by the Minister of Colleges and Universities (Mr. Sorbara), which is to provide work for some 62,000 young people. This, one must admit, is a small increase over last year's allocation and will provide work for a few more students.

Unfortunately, it does not do enough to make up the balance of the shortfall that comes from a less ambitious program at the federal level. As we know, responsibility for universities and students is principally a provincial affair. While one regrets the withdrawal of the federal moneys, this government must do all it can to make up any losses at that end. That has not happened.

We also call attention to a useful principle the minister has introduced, namely, allocating a certain significant part of his moneys for northern students. Again, it is only in the smaller part of the program and it will provide work arrangements for fewer than 2,000 students.

There is another very disadvantaged group in the student body, and that is women students, who, on the average, are unable to earn sufficient money over a year to meet the eligibility qualifications of the Ontario student assistance program. The minister must address that in a very vigorous fashion in the future.

Mr. Speaker: The members's time has expired. The member for Stormont, Dundas and Glengarry for 35 seconds.

TELEVISION FILM

Mr. Villeneuve: For those members who may not have read of it, I want to mention that in February the ABC and CBC television networks will be airing the Walt Disney Productions film *The Liberators*. The film stars Larry Scott and Robert Carradine and is about two men who help American slaves escape during the 1850s.

What is notable is that Upper Canada Village at Morrisburg in the very historic riding of Stormont, Dundas and Glengarry provided the setting for the film. The staff at the village dressed in period costumes and served as extras in the film. I wish all members would look at this film coming up in February.

RECORD OF DEBATES

Mr. Speaker: This may be the appropriate time to inform the members that on Thursday, January 22, the member for Oshawa (Mr. Breugh) brought to the attention of the Speaker and the House the matter of a reprint of extracts from Hansard of November 15, 1984, which was made to appear as if it had been published by the Legislative Assembly. I undertook to study the matter and I am ready to make the following ruling.

Recently, the member for High Park-Swansea (Mr. Shymko) undertook at his own expense and for his own purposes to have published extracts from a debate which took place in this House on November 15, 1984, during private members' business. While there is nothing technically wrong with reprinting parts of Hansard, this particular reprint does, in my opinion, give the wrong impression of what the document is, in that the reader is led to believe that this is an original publication of the Legislative Assembly published under the authority of the Speaker, which it is not.

Where the member for High Park-Swansea erred was in not clearly identifying on the front cover of the publication that he was in fact the publisher. I would strongly advise members, therefore, that in doing this type of thing, they make it clear in the future they are the originators of the reprint and not the Legislative Assembly.

Furthermore, I take this occasion to remind members that they are protected by the laws of privilege for the speeches they make in the assembly and its committees, but they are not necessarily protected when they cause to have

their speeches reprinted for use outside the assembly.

I hope this is of assistance to all members.

Mr. Shymko: Mr. Speaker, since I am involved, I appreciate the clarification. I know that what I have done has been done by many members in the past.

Mr. Speaker: Order.

STATEMENTS BY THE MINISTRY

INVOLUNTARY PATIENTS

Hon. Mr. Elston: Members will recall that in December 1986 a number of amendments to the Mental Health Act were passed as part of Bill 7. One of those amendments, defeated in committee but later brought back and passed during third reading without a great deal of discussion, has raised some important concerns in this province not only among health care professionals but also among the families of patients who should be treated.

The amendment to which I refer is the one that would remove any means for an attending physician in a psychiatric facility to proceed with psychiatric treatment when an involuntary patient has refused treatment or when the relative of an involuntary, incompetent patient has refused such treatment.

Recognizing that this amendment raised a number of issues related to the delicate balance between patients' rights and the necessity of treatment, members of this House agreed to delay implementation of the amendment until April 1, 1987. There was agreement that more time was needed for discussion and reflection.

The Ontario Medical Association and the Ontario Psychiatric Association have both expressed strong reservations about the change in legislation. In addition, there have been numerous letters to newspapers and reports from inquests pointing out difficulties with the amendment. I would also point out that last fall mental health experts from across Canada recommended that the current Ontario provisions be adopted in the Uniform Mental Health Act, which will be presented to the uniform law commissioners of all provinces later this year.

In Ontario, when an involuntary patient or his relative refuses treatment, our current procedure is as follows:

First, three physicians, at least one of whom is a psychiatrist not on staff at the treating hospital, examine the patient and must agree that treatment should proceed.

The attending physician then applies to the psychiatric review board for a treatment order.

The review board holds a hearing, at which the patient has the right to be present and to be represented by counsel. If either the patient or the physician wishes to challenge a board decision, both have the right to appeal to the courts.

It is my conviction that, with a number of additional safeguards, this mechanism can be adapted to protect both the rights of involuntary patients and the need to treat major psychiatric disabilities. It is therefore my intention to introduce an amendment to the Mental Health Act that will maintain the authority of the review board after April 1, 1987.

The amendment I am introducing today proposes that several changes be made to current practice. Specifically, they are:

First, during the first stage of seeking approval for treatment, the physicians who examine an involuntary patient will be required to give reasons why they believe a patient will not improve without treatment and why the review board should issue a treatment order.

Second, in granting authority to proceed with treatment, the review board must specify the period of time for which the treatment order is effective. The board may also include terms and conditions under which treatment is to be provided.

Third, during the course of any appeal by a patient or relative with regard to treatment, treatment will not proceed unless a judge of the court rules otherwise.

I wish to point out that electroconvulsive therapy is excluded from review board authority. This amendment provides that in order for ECT to be given, the consent of an involuntary patient or his representative will be required.

This amendment also removes the legal uncertainties that now exist in treating voluntary and informal psychiatric patients as well as those on Lieutenant Governor's warrants.

All patients will be advised of their right to designate a representative to give consent on their behalf should they become incompetent. In psychiatric emergencies, hospital staff will be permitted to proceed with treatment and take whatever actions are required to stabilize a patient.

I believe this amendment establishes an effective balance between the rights of patients and the responsibilities of physicians to determine and prescribe treatment. I urge all members of this House to assist in its speedy consideration.

1350

DAY CARE

Hon. Mr. Sweeney: Ontario needs to expand its child care service. It needs to offer more

choice and more opportunity to families. This government, however, cannot do it alone. That is why I met last week with my federal and provincial fellow ministers in Ottawa. I am pleased today to report on last week's meetings.

There was a consensus among the provinces about the provision of genuine choice for families to select the form of child care best suited to their needs. We agreed that each province must have as much flexibility as possible to shape its child care system to meet its differing needs. We confirmed that provinces retained full responsibility for the design and delivery of child care services, with the federal government as an equal funding partner.

To that end, the federal and provincial governments committed ourselves to the following timetable: beginning on February 1, 1987, we will hold a series of bilateral meetings between individual provinces and federal government officials; by March 1, 1987, we will have the report of the parliamentary task force and a comprehensive response to it; by April 30, 1987, a national strategy will be formulated; during May 1987, formal federal-provincial negotiations will be carried out; and by June 1987, a federal-provincial agreement will be confirmed at a meeting of ministers.

I had been hopeful that a speedy resolution of federal-provincial issues would permit us to finalize our child care service announcements. I am assured by the federal government and other provinces that this timetable is the speediest they can follow. I am committed to providing an early indication of our program initiatives. Because of these delays, we are now reviewing what we can announce in advance of the conclusion of these consultations.

As members would expect, the question of federal government funding support for our commercial centres was fully debated. The federal minister, Jake Epp, stated that he has no philosophical opposition to such funding. All provinces, except one, fully endorse the principle of child care systems, including both commercial and nonprofit components.

This government has inherited a child care system in which half the licensed spaces are in the commercial sector. We want to ensure that families using those existing spaces receive the same quality of care as that offered in the nonprofit sector. We also acknowledge the need to support those existing commercial spaces while encouraging the growth of the nonprofit sector. However, we cannot do it alone. We need

federal government support, and Mr. Epp confirmed his recognition of that fact.

Mr. Martel: What did that mean? Nothing else is going to happen?

Mr. Speaker: I would remind the member for Sudbury East (Mr. Martel) that question period has not started.

RESPONSES

INVOLUNTARY PATIENTS

Mr. Andrewes: I wish to respond to the statement by the Minister of Health (Mr. Elston) regarding amendments to the Mental Health Act, particularly those dealing with involuntary patients in psychiatric institutions.

The minister at the outset sounded a bit cynical in his preamble to this statement, where he said the amendments in Bill 7 were passed without discussion. It sounds very much as if the minister is suggesting that these amendments were passed in a frivolous manner. I want to assure him that they were not and that the support given to the amendments was not taken lightly.

We have expressed many concerns over the last few months on the whole aspect of treating involuntary patients in mental institutions. The Bill 7 amendments appear to have prompted the minister to bring forward this package of amendments, which I must say go some way towards improving the process. Therefore, our debate and our efforts on Bill 7 were effective.

Thus, as we give these amendments our consideration, full attention and study, and as we seek advice on all sides of this debate, I want to assure the minister that we should keep in mind the April 1 timetable.

DAY CARE

Mr. Baetz: In response to the Minister of Community and Social Services (Mr. Sweeney) on this great meeting, it seems to me to be just a long litany of more planned meetings and more planned discussions; it goes on and on and on, and nothing seems to be about to happen. I believe it was Lord Keynes who said, "In the long term, we are all dead." That is what is going to happen with the minister's so-called sought-after agreement with the feds in this thing.

It is interesting to see that the minister is trying to get some consensus on providing some assistance for the for-profit day care centres; we have no opposition to that. But I heard the minister say nothing about extending these day care services to beyond those who are eligible under the Canada assistance plan. The minister said very little about that, and I suspect he said

very little about it because he has very little to say about it.

The minister also said virtually nothing about those young parents who perhaps want to look after their very young infants or children in their own homes. What kind of assistance is the minister going to give them? If he is not going to provide them with financial assistance, is that not discrimination against those who would like to look after their own children in their own homes instead of having them go off to some group care?

Quite frankly, this is a statement that means nothing. I know the minister would like to see this thing move faster, but it is a glacial speed we are looking at here. We will tune in a year or two from now and we will be right here where the minister left off.

INVOLUNTARY PATIENTS

Mr. Reville: I want to respond to the statement made today by the Minister of Health (Mr. Elston) regarding amendments to the Mental Health Act. It strikes me as particularly odd that a government that could choose from so many crying needs to attend to would decide today to bring forth further amendments to a piece of legislation that was amended in December 1986, and the amendments in question have not yet taken effect. There are many crying needs in the province for the Minister of Health to attend to, as there are many crying needs for the government to attend to, and it seems odd that the government should now seek to change the will of the Legislature in this respect.

There is no question that there is a delicate balance between patients' rights and the need for people to have treatments of various kinds. The amendments that were introduced by my colleague the member for Ottawa Centre (Ms. Gigantes) and supported by the Progressive Conservative caucus were balanced amendments that were very clear about patients' rights and about our interest in people having treatment.

It seems clear that the minister has followed the advice often given by the Leader of the Opposition (Mr. Grossman); he picked up the phone and discussed the matter with one of the interest groups. It is going to be important for the Legislature to hear from all the interest groups on this issue, because there are some compelling arguments about patients' rights that legislators clearly need to hear.

DAY CARE

Ms. Gigantes: I rise to question whether the statement made by the Minister of Community

and Social Services (Mr. Sweeney) was in order. The standing orders of the Legislature, in section 28(a), say: "A minister of the crown may make a short factual statement relating to government policy, ministry action or other similar matters of which the House should be informed." This was not a statement of government policy. It was not a statement of ministerial action. It spoke of matters of which we were already quite well informed following last week's federal-provincial conference.

What the minister did was he laid out yet another timetable for an area in which this government for close to two years has been promising action. We have a timetable that will now extend well into the two-year term of this government, and we are told that some time in June of this year we will finally have some kind of policy—there is no indication of what kind of policy—that will be joint federal-provincial agreement and a policy for which this minister will take complete responsibility within the provincial jurisdiction of Ontario.

1400

In the meantime, we do not have child care. In the meantime, parents and families who have to pay for the child care that exists, if they are lucky enough to find access for their children to child care facilities in this province, cannot afford the cost—and the cost is going up. The minister has made no announcement about transitional funding for day care centres where the costs are just too high for people in the community to bear. We do not have any announcements from the minister as to what kind of funding will be provided, even though in the past he has promised us that without federal cost-sharing he would proceed on his own. Now he says we should wait another six months.

He speaks to us once more, heaven help us, about the choices that must be available in child care. The fact is we do not have day care in this province. That is what limits the choice. Our government has not provided policy, funding, programming or accountable mechanisms so that we know what moneys are going into the private day care sector in this province. We have no financial accountability. We do not have quality control for programming in our existing centres in this province in spite of the minister's suggestion yesterday that we do. He knows perfectly well that we have a decentralized and nonuniform system of determining the quality of care that children in this province who are fortunate enough to be in child care spaces—there are mighty few of them—are actually involved in.

I feel the statement today was a statement made in lieu of a statement. At this point, we fully expected that we would have—good, bad or indifferent—some policy statement from this government. We have nothing.

Mr. Speaker: Oral questions.

ATTENDANCE OF PREMIER

Mr. Grossman: The Premier (Mr. Peterson) has been trying to make some progress in Washington for several days. We know he is back, because he had time to give an extensive interview on Radio Noon today to discuss his lack of success in Washington, but he is not here yet to answer questions. In the absence of the Premier, I ask that leader's questions from us be stood down until the Premier has time to attend the House.

Mr. Speaker: Is there agreement to stand down? Do both leaders wish to—

Mr. Rae: We are in exactly the same position. We were told the Premier would be here and we have guided ourselves accordingly. We want to go at him today and he is not here.

Hon. Mr. Nixon: The Premier will be here in a moment. Naturally, with his heavy responsibilities, he has had a big morning. He is on his way here now. If the members would like to use a procedure that is quite acceptable to us and has been used frequently in the past and stand down the leaders' questions until the Premier is here—he should be here in a moment—and go with other questions, we will be glad to do so. We hope we can proceed with the regular business of the House. We have many ministers here, all of them anxious and eager to provide what information they can.

Mr. McClellan: Perhaps we could start by stopping the clock while we have this discussion and putting it back to the beginning. We know the Premier found time in his busy schedule to be on CBC radio between 12 noon and one o'clock. If he was able to do that, he is able to be in the assembly for question period at two o'clock. I suggest we recess until the Premier deigns to appear among us.

Mr. Speaker: Order. There has been a request by both leaders to stand down their questions until the Premier arrives. Is that—

Mr. McClellan: We have a request for a recess until the Premier arrives.

Hon. Mr. Nixon: No.

Mr. Speaker: As I understand it, there is not unanimous consent. Oral questions.

Mr. Harris: Was consent not given to recess the House until the Premier shows up?

Hon. Mr. Nixon: No. To stand down the leaders' questions is quite acceptable. I can assure the honourable members that the Premier is on his way and we can go back to the leaders' questions in a moment.

Interjections.

Mr. Speaker: Order.

Mr. Harris: On a point of order, Mr. Speaker: Could we perhaps then get unanimous consent to move on to the orders of the day and revert to the total question period when the Premier arrives?

Mr. Speaker: There has been a request for unanimous consent.

Hon. Mr. Nixon: No.

Mr. Speaker: No? There is not unanimous consent.

Oral questions. No questions?

Hon. Mr. Nixon: On a point of order, Mr. Speaker: I simply say again to the honourable members that the Premier is on his way. He will be here.

Mr. Grossman: He has an obligation to be here to answer to the Legislature.

Hon. Mr. Nixon: Of course he does. Anybody who would suggest that the Premier does not fulfil his obligations will not be believed.

Mr. Speaker, the ministry is here, not with all cabinet ministers but with many of them. We are quite anxious to respond to the questions, and the Premier will be here in a minute. He is speaking, actually—oh, to hell with it.

Ms. Fish: On a point of order, Mr. Speaker: We want to hear what the note is. If the Premier is so quickly en route, then why do they not agree to a brief recess until he arrives?

Hon. Mr. Nixon: The note says—I always respond to the requests of the member for St. George (Ms. Fish)—the Premier is speaking to Michael Wilson, and he will be here as soon as possible.

Mr. Grossman: We will wait. We will recess the House if he is talking to the Minister of Finance.

Mr. Speaker: Oral questions.

Mr. Pope: No way.

Mr. Speaker: If no one wishes to ask questions, I will have to consider the question period finished.

Mr. Martel: Oh, come on.

Mr. Rae: You try that, Mr. Speaker, and see what happens.

Mr. Speaker: Order.

Mr. Harris: Mr. Speaker, did I hear you say you are going to deem question period finished?

Mr. Speaker: Is there anything else you wish to add?

Mr. Harris: Yes. If the way you want to run the House is for all this to cause a great disruption, then you have to adjourn it for 10 minutes and we all look like fools across Ontario; we can do that if that is what you want to do. That appears to be the way the governing party and you, Mr. Speaker, want to run this Legislature. You have an hour sitting there for question period. Our questions today are to the Premier.

An hon. member: All of them?

Mr. Harris: All of them. Do members want me to table my list?

Hon. Mr. Nixon: On a point of order, Mr. Speaker: I have a feeling that if we keep up with this game of shinny long enough, the Premier will come in the door. I just want to tell you once again, Mr. Speaker—and I say this most sincerely and I would not think for a moment of trying to mislead the honourable members—

[Applause]

Mr. Speaker: Order.

Mr. McClellan: On a point of order, Mr. Speaker: After this display of courtesy towards the members of the assembly, perhaps we could turn the clock back to 60 minutes and start all over again.

Hon. Mr. Nixon: Sure; we would we quite glad do that. As a matter of fact, if the honourable member wants to extend question period, he should let us know. We will give it serious consideration.

Interjections.

Mr. Speaker: Order. I understood the members wanted to ask questions.

Mr. Martel: For 60 minutes.

Mr. Speaker: I understand there is unanimous agreement to commence at the 60-minute period. Is that agreed?

Agreed to.

1410

Mr. Grossman: I bet that is the first time in the Premier's boxing career he has been applauded after having been knocked out.

ORAL QUESTIONS

STEEL EXPORTS

Mr. Grossman: My question is of the Premier. Yesterday, during his trip to Washing-

ton, he found out from Senator Heinz his intentions with regard to taking action against Canadian steel. It is something we first raised with the Premier in this House last October. On that date, October 21, he was not aware of the senator's intentions. He was unaware of Senator Heinz himself and his legislation. Since that time, he has had three months to prepare for his trip to Washington and his submissions on Canadian steel.

Given the fact that Senator Heinz clearly indicated to the Premier that he intends to proceed immediately with legislation that will give Canada 90 days to buckle under or have import quotas put on our steel, can he now tell us what his intentions are in terms of how he is going to protect Ontario's steelworkers against this US action?

Hon. Mr. Peterson: First, let me apologize for being so late coming into the House. I was on the phone with the federal Minister of Finance. We were discussing a few matters, the trade issue, the steel issue and others. I was sharing my perceptions with him in that regard, as well as his expected announcement this afternoon with respect to international banking centres, which are of great concern to this government.

As the honourable member knows, I put my views on these subjects to the minister, as I have done before. I am sure the Leader of the Opposition will know that sometimes, when these things happen, my presence is required in those discussions. It might be helpful if the member would spend some time talking to the Minister of Finance on those issues, rather than just causing a fuss.

Second, the member takes credit for introducing me to Senator Heinz. I met Senator Heinz a year ago when I was in Washington, although I do appreciate his attempt to take the credit in this situation, as he has done in every other one.

We have known of his intentions for a long time. The problems in the steel industry are nothing new in Ontario. The industry and governments have been applying their minds to the export situation for a very long time.

As it stands right now, the situation is that there is no agreement with Canada. Canada has been exercising self-restraint on the issue. At the moment, we do not know whether it is going to reach any kind of legislated solution. We hope to avoid that.

We do know the US has a very active program to try to bring down the percentage of imports into that country from about 33 per cent to about 20 per cent, in that range. It has made substantial

gains. Our problem is that Canadian exports were up substantially in the past couple of months. They were up to about five per cent of the US domestic market.

There is some concern about foreign steel, Taiwanese or Korean, coming through Canada, and that situation is being monitored very closely. At the moment, there is no threat that jobs will be lost as a result of that. I am sure my friend would not want to create any other impressions in that regard. It is a situation that is under constant discussion with the industry, the federal government and ourselves.

Mr. Grossman: Quite apart from everything else, I have here a rather extraordinary contradiction of his rather extraordinary statement that no Canadian steel jobs may be lost as a result of this.

I will read what Senator Heinz said after his meeting with him. He said he will introduce legislation giving Canada 90 days voluntarily to reduce steel exports or be faced with tough restrictions. The crackdown would see levels drop to 70 per cent of the November 1984 levels. Obviously, if our exports to the US are going to be cut by that much, it is going to cost a lot of Ontario jobs. If the Premier thinks a cut in exports to the US is not going to lose jobs in Ontario, he should rise and say that. It is unbelievable to put that proposition forward.

Yesterday, in the Premier's absence, the Minister of Industry, Trade and Technology (Mr. O'Neil) said about the Heinz legislation that he expects Canadian and US negotiators will strike a deal to avoid legislation that would slap quotas on Canadian steel. He said a voluntary approach has worked in the past and such an approach would work in the future.

Consistent with what his minister said about the steel issue and negotiating a settlement, is the Premier going to recommend or be part of an agreement for voluntary quotas in steel, or was his minister perhaps mistaken yesterday?

Hon. Mr. Peterson: I am not sure the member opposite understands the situation as it works in the US. I would be happy to explain it to him. Mr. Heinz has introduced legislation before, as many other people have introduced legislation. Every congressman introduces legislation on almost a daily basis in the US. That is not to say it becomes the law of the land.

I am sure my honourable friend would not want to misrepresent the situation in the US in any way. When the member brought this matter up some time ago, he was trying to give the impression the bill was the law of the land, when it had died on the order paper in the US. If the

member is going to make these allegations, it is important that he be factually correct, which he so rarely is.

It is a situation the industry and the government have been very close to for a long period of time. This is what has been happening. They have been operating on a situation of voluntary self-policing in that sense and, from the Canadian side, watching the numbers on a monthly basis. Sometimes those numbers pop up, as they did in the past couple of months because of the strike. The situation is ongoing and being managed. It is our hope to manage this situation in conjunction with the federal government in such a sensitive way that no legislation will be brought forward but the irritant will not be there.

Mr. Grossman: The Premier, who wishes to lecture others on how the American system works, was quoted as saying he is baffled by the way decisions are made in Washington. We understand well the way legislation is introduced and dealt with in the US.

I remind the Premier, however, that while steel quotas have not been legislated, neither has the auto pact been put on the table by anyone, yet the Premier and others are trying to avert that from happening before the event occurs, as he failed to do on softwood lumber and then agreed to a tariff on softwood lumber. On autos, we are all working to avoid it happening; on steel, we want him to do the same.

Given the comments of his trade minister that a voluntary approach works and that he believes a voluntary negotiation to avoid the quotas in steel is something that will happen, is the Premier prepared to accept any part of the proposal that Heinz says he is going to make aimed at getting Canadian steelmakers voluntarily to restrain their exports to the US markets? Is he going to do as his trade minister said he was going to do and agree here, as he did in softwood lumber?

Hon. Mr. Peterson: With respect to my honourable friend, he is quite mistaken in his interpretation of the situation. The whole object of the exercise is to avoid any legislation in the US that artificially binds our industry in any way. I want to tell the member what the discussion was all about.

Interestingly enough, Senator Heinz said to us he does not believe the Canadian industry is subsidized. He does not believe there is any dumping going on and he thinks Canada is trading in a fair-minded way. That is the point I made. As I said to the member, if he understands the history of the industry, the senator is involved in a straight protectionist move to try to protect

the US steel industry, which is in very serious trouble at the moment. Some of the companies are close to bankruptcy. There are massive unfunded pension liabilities that could come back on the government. They are trying to protect whatever remnants of that industry they can. Canada is the only country with which they do not have a voluntary agreement at the moment, as the member may be aware.

1420

What we are saying to him is that Canada is a free trader. We are not subsidizing; we do not want to see a perversion of the US trade or international laws directed against a problem that in fact is not a problem. We are not the problem; therefore, we are not part of the solution. The problem is the lack of competitiveness of the US industry, but that does not say that Senator Heinz and like-minded people may not want to try to come after us in one way or another.

One other point I will make, if I may, to the member—

Interjections.

Hon. Mr. Peterson: Okay. If members do not want to hear it, they do not have to hear it. But I say to the honourable member, because it is an important issue, that I asked the senator—

Mr. Speaker: Order.

Mr. Grossman: I might say to the Premier that we would have saved a lot of time had he made a statement, as he so often does on these occasions.

Mr. Speaker: Do you have a question?

Mr. Grossman: My question is to the Premier. He did a very fine job a moment ago in explaining the American position and the American argument for protection for the American steel industry. What we are interested in knowing is what he is going to do to protect and put forward the case for the Canadian steel industry, not how strongly Senator Heinz feels about what is happening in the US.

The Minister of Industry, Trade and Technology, whom the Premier did not take along with him to Washington, said in his absence he believes that in the steel area a voluntary approach will avoid the problem. Can the Premier tell us whether he agrees with his trade minister, who suggests that a voluntary approach—i.e., voluntarily cutting back on the export of Canadian steel to the United States—will work and whether it reflects the Ontario government's position as outlined by his minister?

Hon. Mr. Peterson: That is what has been happening for the last couple of years in the country. The member may be aware of that or he may not be aware of that. So far, it has avoided any legislation in the United States. That is the situation as it is today. I cannot predict the future. Perhaps the member can.

The member opposite is right. The minister was not with me, because he was here. The member gets a little cranky if people do not show up in question period on time—except, of course, himself. His suggestion was that I take the member for Muskoka (Mr. F. S. Miller) and the member for Eglinton (Mr. McFadden) to help us along in putting these cases.

That is what has been happening in this country for the past couple of years, whether the member knows it or not. So far, it has been reasonably successful, but I told him that, as a result of the numbers that have appeared in the past couple of months, more pressure has come on the system. He also has to be aware that just because one senator says something does not mean it happens. He has to be aware that these things can gather steam. We have to anticipate them and manage them as well as we can, and that is what we are trying to do.

I also remind the member that the federal government has the primary responsibility in this regard, whether he wants to admit it not. Because they have dropped the ball in so many cases, he may argue that the responsibility comes back here, and it is something I am prepared to do; but these are his friends, not mine.

Mr. Grossman: I read in the paper that the Premier was saying he was there to help the Prime Minister. With the Premier's record, there are thousands of other sectors that are hoping he does not try to help them.

The Premier has now argued jointly with his minister of industry that voluntary approaches have worked reasonably well in the past. May I remind him that the last voluntary approach, and the only one that came during his time in office, was in softwood lumber? In that circumstance, he and his government agreed to the voluntary approach. He and this government agreed to a 10 per cent voluntary surtax being put on by Canadians. That is how he has handled the voluntary approach situation.

Mr. Speaker: The question?

Mr. Grossman: That brings me back to the supplementary question. Does the Premier anticipate the same kind of voluntary approach in this case, accepting some sort of voluntary approach

to avoid quotas, cutting back on Canadian exports of steel? Is he going to do that or not?

Hon. Mr. Peterson: We are very much against handling this issue the same way the federal government handled the softwood lumber issue. Surely the member understands that. That is why we are there. We are trying to anticipate these problems. I cannot guarantee success. I am not principally charged with the carriage of these responsibilities, but we are down there fighting for Ontario's interests.

Mr. Grossman: I am afraid the Premier cannot rewrite history in this case. Hansard will show that the Minister of Industry, Trade and Technology acknowledged that Ontario agreed to the voluntary restrictions and the voluntary arrangement put on Canadian softwood lumber. The federal government will confirm that. All the other provinces in Canada will confirm that. He cannot get around the fact that his government agreed to a voluntary submission—

Mr. Speaker: Order. Does the member have a final supplementary?

Mr. Grossman: The incontrovertible record will show that the Ontario government under the Premier's leadership agreed to the softwood lumber proposal. We demand an answer this afternoon from the Premier. Does he agree with the minister of trade that the Ontario government might well be able to avoid the Heinz legislation by agreeing voluntarily to restrain the export of Canadian steel?

Hon. Mr. Peterson: I answered this several questions ago. The member has been repeating himself like a broken record for the past little while. I have said to him and I will say again—

Mr. Harris: Do you agree or do you not?

Hon. Mr. Peterson: Just a minute. Do members opposite want to listen? I said it has been in that mode for the past two or three years. Voluntary restraint has been exercised on this side of the border so as not to exacerbate the problem. That is what has been going on. The member has been describing the past.

Mr. Grossman: Are you going to do it in steel.

Hon. Mr. Peterson: That is what has been happening in the steel business, whether the member knows it or not. The steel industry and the federal and provincial governments have been working on that mode in consultations, and so far it has been working reasonably well. I cannot predict the future.

Mr. Grossman: Are you going to support that?

Hon. Mr. Peterson: We have been supporting it. Everybody has been supporting it, the federal government and the industry.

Mr. Grossman: You are going to support voluntary restrictions.

Hon. Mr. Peterson: The honourable member has a burr in his underpants.

Interjections.

Mr. Speaker: Order. There are too many interjections.

FREE TRADE

Mr. Rae: I also have some questions for Heinz's 58th variety, the Premier. While in Washington, he said he was there in support of Prime Minister Mulroney's trade initiative and in support of Prime Minister Mulroney. I take it that means the Premier is a supporter of the free trade initiative of the Prime Minister.

I wonder whether the Premier can tell us why he has the nerve to sing a completely different song in Washington, DC, when he is speaking to American senators, congressmen and trade representatives from the song he pretends to be singing when he is in Canada claiming to be speaking up for Ontario's interests. Why is the music so completely different?

1430

Hon. Mr. Peterson: The music is different only to one with a completely tin ear; that obviously applies to my friend opposite in this regard. The message I take here is the same message I take to the United States and other places. I want to make one point to my friend: I have some very serious disagreements with the Prime Minister of this country on a number of issues and the member opposite knows that, but I will never go to a foreign capital and try to embarrass the Prime Minister of this country.

Interjections.

Mr. Speaker: Order. The member for York South would like to ask a supplementary. We will just wait.

Mr. Rae: When it comes to embarrassment, the Prime Minister of Canada does not need any assistance from the Premier of Ontario. Even the most charitable observer would notice that. The only person the Premier has been embarrassing with his foreign travels is himself and the government of Ontario and nobody else. I think that is very clear.

All the rhetoric aside, can the Premier tell us as clearly as he can—he chose to be on the phone with Michael Wilson rather than make a statement in this House with respect to what went on

in Washington, so we have no idea what took place. All we know is the few odd scraps he was able to give the press after coming out of each meeting. We are entitled to more than that unless the visit was just a public relations exercise. The Premier kept saying it was not but it is hard to come to any other conclusion if he is not prepared to report to this Legislature with respect to what happened and if he has the kind of contempt for the legislative process that he is showing today.

Mr. McClellan: Just like Davis.

Mr. Rae: Just like Davis. It is the same attitude, the same corny, oily contempt for the legislative process.

Mr. Speaker: Question.

Mr. Rae: Can the Premier tell us whether he now is in favour of or opposed to the Prime Minister's trade initiative? Which is it? It is the most important question facing the people of this province and he still has not had the guts to come clean and tell us what his position is.

Hon. Mr. Peterson: I do not know where the member has been. My friend asked me to cut out the rhetoric. That is a most extraordinary request coming from him today; it really is. I try to answer the questions of my friend opposite in good faith and he hoots and hollers that I am speaking too long, so he wants it cut off. Obviously, he is of the view that only he and his questions, and no one else, are of any worth in this House.

The member knows my position on this. I do not know how many times we have discussed it and we will continue to discuss it in this House. I said the very same things and expressed my concerns about the auto pact, the steel industry and protectionism in the United States. These are things we are fighting for. At the same time, unlike my esteemed friends opposite, I do not overestimate our importance in going to Washington but I think it is one more voice and other people should be taking that responsibility as well.

I cannot report great gains, nor will I try. I have a sense of modesty unknown to some of my friends opposite in this regard, but I can tell the member that we are out there fighting for our interests.

Mr. Rae: I still think modesty is always in the eye of the beholder.

I go back to the Premier with a question. Let me try to understand the Premier's position while he was in Washington. I take it his position was that as far as Ontario is concerned he was taking a protectionist position, but as far as our exports

are concerned he was taking a free trade position. If that is the position the Premier was advocating while in Washington, can he expect anybody down there to take him seriously? Can he expect anybody here to take him seriously unless he is prepared to have the same position in Toronto, Ottawa and Washington and to tell us what that one position is with respect to trade? What is it? Is the Premier in favour of the Prime Minister's initiative or is he opposed to the Prime Minister's initiative, which now is going on and is the most important question facing the people of the province?

Hon. Mr. Peterson: My honourable friend says we are not taken seriously. I do not agree with the member opposite in that regard. He will see that a number of decision-makers in the US were anxious to talk about some of the problems. I had an opportunity to explain a number of things with which some of them are not familiar: the size of the trading relationship, the importance on both sides, how well the auto pact has worked over the years, the unique nature of our relationship, the fact that we are not involved in subsidizing, the fact that even though we have a merchandise trade surplus on the service account it tends to balance out. It is a situation that has worked very well, and I do not want to see it jeopardized in any way.

The member asked my opinion of the Prime Minister's trade initiative. I have no idea what he wants out of the deal and neither does the member. The Prime Minister has not put it on the table. I can tell the member my concerns about the situation. I can tell him again if he wants to listen to them, but we have gone through that many times before. I am happy to do that with him any time, if he can control the members opposite in their howling and barking.

Mr. Rae: I cannot believe my ears. The Premier was engaged in a trade mission, allegedly on behalf of the people of this province. He said he did not want to go to Washington and express any disagreement with the Prime Minister of Canada in terms of the trade initiative he was taking. He now comes back to this Legislature and says, on behalf of the people, he has no idea of the purpose of that trade initiative or of what is going to come out of it.

What does the Premier think is going to come out of it? What is going to be satisfactory to him, what is he going along with and what is he going to do to make sure that the people of Ontario get an understanding with respect to the future of this province that is going to protect our jobs and protect our people?

Hon. Mr. Peterson: Unlike the member opposite, I am not an ideologue, I am not a theologian practising politics and I am not one who is prepared to hoot and holler about things, unless I know the full implications.

My friend opposite has started to hoot and holler about things he does not fully understand. I do not know and he does not know the substance of the Mulroney trade initiative. He does not know and I do not know, because it has not been done yet. Maybe the member does know; if he knows, he should tell us. I have told him the things that worry me for this country. I have told him about our fight to protect jobs.

My friend the leader of the Opposition (Mr. Grossman) has bought it wholesale on various occasions. When he is standing with Mr. Mulroney, he throws his arm around his shoulder and says, "We support all this." Then, when Mr. Mulroney tumbles in the polls, he runs away and develops some other theory of trade. We have counted six or seven different theories of trade so far. Our view has been consistently in defence of Ontario's and Canada's interest.

Mr. Rae: Let me make sure I have this straight. I have a question for the Premier, by way of supplementary, I think, to the answers I have been getting, although it is very hard to tell. Have I understood the Premier's position correctly? He does not know what the Prime Minister's position is and he does not know what the Prime Minister's trade initiative is. That is the position he went down to Washington to indicate his support for, when he went down. Is that an accurate description of what he has been telling me in the past 10 minutes?

Hon. Mr. Peterson: It is not at all an accurate description, but it was very amusing. The member has chosen not to look at the situation as we discussed it.

We were not in the process of discussing the trade initiative, because it is in other people's hands and it is going on. We were looking at other situations, the current irritants that are going on. We discussed acid rain and a number of other things that are problems between our two countries. I feel a little more optimistic than I did in the past that there may be some movement in the US. We were working on all those things, and in that sense, it was a constructive meeting.

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Mr. Rae: I guess one had to be there to appreciate what was going on at those meetings. I think the position that the Premier has indicated today, and I say this in all seriousness to him, is an embarrassment to the people of this province.

Can the Premier tell us why he is unable to answer the most fundamental question with respect to free trade that the people of this province want an answer to? After all his discussions and consultations in Washington, is he for or against the initiative on which the Prime Minister of Canada is taking the people of Canada for the next six months?

Hon. Mr. Peterson: The member is right. One probably did have to be there to understand it. He has the joy that he will never be there to discuss these issues; so he does not ever have to worry about it.

It is infinitely more complex than the member will let on in the circumstances. He knows my views on the trade initiative. I do not know how many times we have put them in this House. We will continue to discuss it. The Prime Minister has entered into a discussion. We are watching that go on day by day. We are expressing our concerns to the negotiators and we will wait to see what comes out at the end of the pipe.

We are taking a rigorous view of the situation in defence of our interests and we will wait to see what happens. That is where we are. Our discussion, as I said in Washington, was premised on the fact that other people are handling discussions at this point. We were not there to settle that issue. We were looking at other issues and I think we made some progress.

Mr. Grossman: If the Premier needs more time to answer the freer trade question, I will be happy to give him a moment or two before I ask my question. Would he like to answer the question about whether he supports the initiative?

Mr. Speaker: New question.

STEEL EXPORTS

Mr. Grossman: My question is to the Premier. It is a shame he did not ask Michael Wilson during his conversation what the federal initiative was. Then he could have answered the question. He had him on the phone.

I want to get back to the question of the Premier's ability to defend the Ontario steelworkers. The Minister of Industry, Trade and Technology (Mr. O'Neil), in responding to the question on steel, said a voluntary approach has worked in the past and such an approach will work in the future. Does the Premier agree with that statement?

Hon. Mr. Peterson: It has worked so far. We cannot anticipate for sure what will happen in the future. The softwood situation is completely different, at this stage at least. We want to avoid

getting into the same kind of decision that was made. That is why we are so worried about the precedent created in the softwood situation. It could serve as a model for other kinds of decisions in other commodity groups.

The member will be aware that other commodity groups could potentially be under pressure, and we are trying to prevent that in the future. It was his friends in Ottawa who made the decision on the softwood that we do not think was in the national interest at all. Therefore, I cannot predict with certainty what the future will bring or who will bring in what piece of legislation. I am trying to prevent that kind of thing.

Interjections.

Mr. Speaker: Order. Many members wanted to ask questions earlier. Do they still want to ask questions?

Mr. Grossman: I want to explain why this is relevant. There are two stages here: the voluntary stage and then the final point at which the Americans take action. On softwood, at the voluntary stage, the Premier joined in the Canadian offer to accept a 10 per cent voluntary tax on Canadian softwood. That is a fact. This is relevant because we may be approaching that now in the steel industry, the voluntary stage of the trade action. His minister says it will work in the future too. We must know from the Premier whether he is intending to consider accepting a voluntary restraint in steel as he did in lumber. We are entitled to know that.

Hon. Mr. Peterson: It is a completely different situation.

Mr. Grossman: It is exactly the same.

Hon. Mr. Peterson: With great respect—it is a hard point to make with him, because he has asked that about eight or nine times—the member is wrong. I do not know how to explain this to him. I will send over a group of lawyers and officials to explain this to him. I will be happy to explain to him behind the podium, after question period, any time he likes. Perhaps the member for Muskoka (Mr. F. S. Miller) can explain it to him.

The softwood situation started with a counter-vail action; that discussion started after legal proceedings had been launched. That has not happened in this particular case; it is completely different. I do not think my friend understands legally what is going on. It is a good thing he has chosen to lead his party rather than practise law because he would never make it practising law.

In this country they have been exercising voluntary restraint on shipments for the past

couple of years; that is how they have chosen to handle it. There is no agreement and no federal legislation in the United States with respect to steel at the present time.

Mr. Grossman: I know that. Will the Premier rule it out in the future?

Hon. Mr. Peterson: I cannot tell the member what will happen in the US. Perhaps he is bright enough to do it.

Interjections.

Mr. Speaker: Order. Will the member resume his seat. There are many members who would like to ask questions.

PAPER MILL

Mr. Pouliot: I have a question for the Minister of the Environment regarding the ongoing saga at Kimberly-Clark. It is my understanding that the minister has had nothing short of a parade of bureaucrats in an attempt to solve what has been going on for more than three weeks at Kimberly-Clark. We are talking about 1,600 jobs and we are also talking about a very acute pollution problem. Does the minister care to favour us with an update this afternoon? Where is the situation at the present time?

Hon. Mr. Bradley: I thank the member for the question. I know he has discussed this with people in his area and I have attempted to keep him up to date on these situations.

I assure the member that discussions have taken place and are continuing and I hope this matter can be resolved to the satisfaction of all concerned. As the member is aware, my concern as Minister of the Environment is to ensure that a control order is in place that protects the environment. I know that the member for the area, who has been confronted on a daily basis by people in his own riding with these and other circumstances, certainly shares that concern. He is probably more intimately involved on a daily basis and more sensitive to that issue. I assure him that we are working very hard on it. We have had a number of individuals assisting us to come up with what I hope he and I will consider to be a good resolution.

Mrs. Grier: I think all members of this House in addition to all the people in Terrace Bay are very concerned about these ongoing meetings and discussions. The letter to Bob Carman from Mr. Lavallet of Kimberly-Clark last week talks about the six months during which they have been trying to negotiate a control order.

I would like to hear from the minister why there has been no policy and no strategy on the

part of the government for resolving this very political question of how to clean up the environment and how to preserve the jobs and why in the absence of that strategy and in the face of that political problem there appears to have been an abdication of the political responsibility and a turning over of the problem to a committee of deputy ministers.

Can the minister explain what role he and the Premier (Mr. Peterson) have played to resolve this problem and why it has taken so long to resolve?

Hon. Mr. Bradley: I think the member for Lake Nipigon, who asked the original question and who represents the riding, has to look at things in the total perspective and thus understands that it is not an easily solved problem. Precipitate action could have resulted in consequences such that this member would be standing up in the House asking me exactly the opposite question to what she implies in her question today.

We have been working very hard on it. A number of people have come forward, as the member is aware, with some innovative suggestions and have provided some excellent background in this regard. I am as anxious as the member for Lake Nipigon to see this matter resolved to the satisfaction of all. The kind of action she might have wanted might have precipitated results that she, and I am sure many of her colleagues, would not want to see.

Mr. Wildman: Balderdash.

1450

Hon. Mr. Bradley: The member for Algoma says "balderdash." I think if he were privy to the discussions that are taking place and to the same circumstances the member for Lake Nipigon is aware of, he would not come to that conclusion. However, I can tell the member for Lakeshore (Mrs. Grier), as I told the member for Lake Nipigon, that I hope this matter can be—

Mr. Speaker: Order. New question.

AGRICULTURAL EXPORTS

Mr. Stevenson: I have a question of the Premier. What is the current stage of the countervail action taken by the National Cattlemen's Association?

Hon. Mr. Peterson: To be perfectly honest, I cannot tell the honourable member. I do not know what stage it is at in the proceedings.

Mr. Stevenson: I do not quite understand that answer. Canada exported \$820 million of meat to the United States last year. Ontario exports \$180

million worth of meat to the United States. In addition, we export live animals, \$158 million from Ontario alone to the United States. The National Cattlemen's Association in the US currently has a countervail action against Canadian exports of meat, which is in front of the International Trade Commission right now. Does the Premier mean to say he went to Washington on a trade mission and yet he was not briefed and has no idea of what that issue is all about? If he does not, he should get up and admit it.

Mr. Speaker: Order.

Mr. Stevenson: If he does, he should tell us what the impact of a positive outcome of that countervail will be.

Hon. Mr. Peterson: I appreciate the member telling me everything he knows about agriculture in 30 seconds. There is a large number of countervails going on against Canada at present. He asked me at what stage it was at and what was the decision. I did not know the answer to that. I was forthcoming with him in that regard and I told him so.

Interjections.

Mr. Speaker: Once again, there are other members who want to ask questions. I will just wait until the cross-fire stops. The member for Windsor-Riverside, new question.

NURSING HOME BEDS

Mr. D. S. Cooke: I have a question of the Minister of Health. On July 9, 1985, my leader asked the following question to the Premier (Mr. Peterson): "Is he"—the Premier—"prepared to live up to the previous commitment that there would be a moratorium on the expansion of private-profit medicine in Ontario?" The answer was: "The answer is yes. I restate our very strong commitment to a public system...."

In view of that answer, why did the Minister of Health change the policy that had been put in place by the Ministry of Health and allocate 1,000 nursing home beds, 600 of which have been allocated in the past few weeks and 400 more which are to come in the next couple of weeks, at a cost of \$17.9 million to the people of this province?

Hon. Mr. Elston: The honourable member would want to indicate very clearly that although there have been announcements of nursing home beds, in some areas those have gone out to private but not-for-profit organizations. I do not think the member would want to try to indicate that was not the case.

I know his colleague the member for Ottawa Centre (Ms. Gigantes) would want to say we awarded 35 beds to the Elisabeth Bruyère Health Centre and 35 beds were awarded to the Woodroffe Centre, which are both not-for-profit organizations. I know his colleagues would also want to say St. Luke's Place, a not-for-profit organization, has also received some beds to accommodate the needs of the people of those various communities. I think they would want to make that clear.

I will also, however, indicate quite clearly that when we have answers to calls for proposals that clearly demonstrate the superiority of the service being provided under the conditions of the call, we will give those to the person, the people or the groups of people that are most superior. We will continue to do that for the benefit of the people in that area. Under those circumstances, we have also allocated some beds to the profit organizations.

Mr. D. S. Cooke: I will not say the minister is misleading the members of the Legislature, but he is coming very close, giving the impression that all these beds are going to not-for-profit operators. The fact is that the vast majority of these beds are going to the private sector. He knows it and we know it. His ministry is doing nothing to encourage the not-for-profit sector to be able to come into the system. He is not doing anything and he knows it.

Why is it that he has nearly \$18 million to spend on nursing home beds, more institutions, and the total amount of money he has spent so far in the integrated homemaker service to keep people out of institutions is only \$20 million?

Hon. Mr. Elston: First of all, the honourable gentleman is really quite wrong. In fact, he would want to indicate quite clearly, I am sure, that he was mistaken when he put his premise in front of us. When we have issued proposal calls with respect to the allocation of new nursing home beds, we have indicated quite clearly we would be assisting not-for-profit organizations to apply, and we have encouraged those people to apply for those beds.

I have just indicated three such organizations that actually did win those proposal calls because their programming was superior to that of any others in the competition. We will continue to do that when those programs are made available and known to us. We will continue to help demonstrate that those people have a role to play in the provision of service for the community.

One of the reasons we have spent \$20 million is that we are implementing the integrated

homemaker program. It is not a program that was forthcoming from the previous people, but in two short fiscal years, my colleague the Minister of Community and Social Services (Mr. Sweeney) has indicated we are expanding it. Beginning in February, I believe it is, there will be some 10 new communities that will receive the benefit of that.

Thus, we are moving right along in providing the continuum of care that I am sure the member would want to support.

STEEL EXPORTS

Mr. Grossman: I have another question for the Premier. We have established that he agreed with his minister that voluntary restraints on steel might be something he would entertain. We have established that he knew nothing whatever about the countervail action being taken on Ontario beef.

Canadian steel now accounts for about 3.6 per cent to 3.8 per cent of the American market. The proposals are that the Americans might want that taken down to three per cent. I am sure he would know, having spent the past couple of days on steel, how many jobs such a reduction would cost Ontario. Can he share that figure with us?

Hon. Mr. Peterson: The figures were up to about five per cent last month. Originally, the Americans were going at the historical average of about 2.4 per cent; they want to see it brought down. Nothing has been agreed to, and I do not believe that anything formally should be agreed to. That is the point of the whole exercise. What I said to the Leader of the Opposition was that the industry has been exercising voluntary restraint over a long period of time.

Every point, in terms of the domestic market in the United States, is about a million tons, as I recall. Theoretically, if Canada is allowed to compete in an unrestricted market, we would do much better than that. Thus, we can say that the potential for access to the United States in competing fairly, as I believe we do compete fairly, is unlimited. I cannot tell the member how that is going to settle out and what the job effect will be in that situation.

Mr. Grossman: Let us not quibble. The Premier said he met Senator Heinz a year ago. We warned the Premier three months ago about the pending legislation. He himself heard in Washington the other day that they are thinking about cutting our exports into the United States. He was briefed by the ambassador in Washington. His minister has told us he has been

preparing the Premier for this trip for several months.

My simple question, and surely the Premier must know by now, is this: if they cut back our share of the market by one per cent, how many jobs will that cost us in Ontario? He surely must know the answer to that question.

Hon. Mr. Peterson: The member is talking in hypotheticals. Why does he not ask me if they cut it back 10 per cent, 50 per cent, 30 per cent or 20 per cent?

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Mr. Grossman: The Premier did not have any clue what the answer was on softwood. He should not think; he ought to know.

Hon. Mr. Peterson: We did. We told the member exactly. I recall the discussions in this House about it, because we had a pretty clear calculation of the potential job losses, given certain theoretical parameters.

What the member wants to do, because he frequently manipulates the facts to suit his own purposes, is create some situation that at this point has not developed. We are fighting for Canadian access into the United States market to the best extent we possibly can. We are trying to understand the realities there so we can deal with this problem in a thoughtful way.

Interjections.

Mr. Speaker: Order. I will just wait.

AFFORDABLE HOUSING

Mr. Reville: I have a question for the Minister of Housing. The government has responded to the problem of homelessness in the same way it responds to other problems: it set up a task force. The task force has now reported. We have a lovely document called A Place to Call Home. Is the minister going to continue to duck the problem of homelessness and refer this to an advisory committee, the usual successor to a task force, or is the minister going to implement the recommendations at an early date?

Hon. Mr. Curling: The honourable member made the point that we are ducking it, when we have faced the issue head on by appointing Dale Bairstow to bring forward recommendations. I cannot understand how he can regard it as ducking the issue. The manner in which we conduct our business is a very consultative manner. We get professional advice and set up a task force and advisory committee to look at Mr. Bairstow's report. As soon as that has been done, I will present the recommendations to cabinet and move forward to solve the problem.

Mr. Reville: I suppose if a homeless person were able to get enough copies of this report, he might get some shelter. The minister has said it is going off to an advisory committee, which is not surprising. What does he make of the fact that some of the recommendations in the report are intended for implementation this winter and as early as February 1, 1987? In view of the minister's answer, can we look to the government for any credible action at all on homelessness?

Hon. Mr. Curling: The report tells us how urgent the issue is. Of course, this should have been dealt with years ago, I presume, by the lackadaisical, uninterested, previous administration. Mr. Bairstow's report states we should implement it immediately. However, I would not like to implement a recommendation when we have not thought it through properly and may have to be retroactive in our process. The advisory group will come forth with its recommendation within five or six weeks and we will proceed thereafter.

AGRICULTURAL EXPORTS

Mr. Stevenson: Now that we have established that the beef countervail was not on the agenda in Washington and nothing was done to assist Ontario farmers on that issue, we would like to know what case the Premier put forward on behalf of Ontario farmers with respect to the intense lobbying efforts by the United States soybean industry?

Hon. Mr. Peterson: I regret that agriculture was not one of the topics we were discussing in specifics but rather in very general terms, about the US farm bill and the general state of the farm economy. We were not going after these things one by one.

Mr. Stevenson: Canada exports \$10 billion worth of agricultural and food products around the world. Ontario exports almost \$2 billion, more than 80 per cent of which goes to the US. We have tried for many years to get canola oil into the US market. Just two years ago, the first exports went in there. Procter and Gamble, after two years, is now exporting 100,000 tons of canola oil to the US market. The previous government and this government are spending millions of dollars to put canola in Ontario as an alternative crop and it will be a major crop in this province in five years.

Why was the Premier not sticking up for the exports of canola oil, when the US soybean industry is doing everything possible to close the door we have worked for years to open?

Hon. Mr. Peterson: Again, I appreciate my friend's explanation of the agricultural question. It is a mite pedantic of him, but he is entitled to stand up and tell us everything he knows about agriculture.

There are many other things we ship to the United States as well. Why could he not stand up and talk about lumber, lead, zinc, nickel, hydroelectricity or many other products that we are shipping across the border? I am sure my friend is aware of this, that there are many things we export, not only agricultural products.

Many initiatives have been taken on behalf of all of them. My friend should reflect on his question and whether it should be handled on that basis. I think it is really a silly kind of thing to suggest at this point. The Minister of Agriculture and Food (Mr. Riddell) has stood up for the farmers as has no one else in the history of this province.

Mr. Stevenson: He was not in Washington; the Premier was in Washington. Tweedledum and Tweedledumber are looking after our exports.

Mr. Speaker: Order. The member for Durham-York has asked the question and a supplementary. Other members would like to ask questions. The member for Lake Nipigon.

SOMMET DES PAYS FRANCOPHONES

M. Pouliot: J'aimerais adresser une question au premier ministre. Le premier ministre se souviendra que lors du premier sommet des pays francophones, tenu à Paris, l'an dernier, le ministre délégué aux Affaires francophones (M. Grandmaître), ici en Ontario, y était à titre de simple observateur.

Par contre, la province de Québec, ainsi que celle du Nouveau-Brunswick, en vertu de la francophonie qui, chez eux, est très présente, avait négocié un statut particulier. Le premier ministre est sans doute au courant du fait que le deuxième sommet aura lieu au Canada, en fait à Québec, l'an prochain. Le premier ministre entend-il négocier un statut particulier pour les 500,000 francophones de l'Ontario?

L'hon. M. Peterson: Le député de Lac Nipigon a raison. Lors du dernier sommet de la francophonie, à Paris, nous étions représentés par le ministre délégué aux Affaires francophones. Il faisait partie de la délégation fédérale, et comme le député le sait, la province de Québec et la province du Nouveau-Brunswick avaient un statut différent.

En ce moment, on ne sait pas exactement quel sera le rôle de l'Ontario au prochain sommet de la

francophonie, qui aura lieu à Québec, cette année—en automne, je crois.

Enfin, on discute de ce sujet avec le gouvernement fédéral. Je ne peux pas dire, maintenant, quel en sera exactement le résultat, mais je peux dire que l'Ontario sera largement représenté à ce sommet.

M. Pouliot: Étant donné ces deux choses: qu'évidemment nous sommes 500,000 en Ontario, et qu'aussi, le congrès se déroulera au Québec, est-ce que le premier ministre envisage de définir ou d'offrir à la population des services ou des occasions spéciales pour marquer l'anniversaire du deuxième sommet de la francophonie ou des pays francophones?

L'hon. M. Peterson: Je regrette de ne pas pouvoir dire au député exactement ce que l'Ontario peut faire, mais je comprends, comme mon ami le comprend, que nous avons beaucoup de francophones ici, et je crois qu'il est important de jouer un rôle d'importance à ce sommet.

Il y a plusieurs francophones ici, dans cette Législature, qui s'intéresseraient à ce sujet. Je crois que c'est un sujet dont nous devons discuter ensemble, tous les députés francophones de la Législature de tous les partis, afin de décider du rôle de l'Ontario, et après ça, on devra en discuter avec le gouvernement fédéral. Malheureusement, je ne sais pas, en ce moment, quel sera le rôle de l'Ontario, mais je peux dire que ce sera un rôle important.

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HIGHWAY CONSTRUCTION

Mr. Dean: I have a question for the Premier. More than three months ago, I asked the Premier when we could expect a decision on the Red Hill Creek Expressway in my riding in the region of Hamilton-Wentworth. At that time, the Premier assured this Legislature that we could expect a decision in "the not-too-distant future."

Will the Premier give us his definition of "the not-too-distant future"? Will he tell us when we can expect a decision on this vital project and clear up some of the confusion he has caused by giving us his assurance that his government will build this desperately needed transportation corridor in Hamilton-Wentworth? It has been thoroughly studied. It was approved by the consolidated hearings board in October 1985.

Mr. Speaker: The question has been asked.

Hon. Mr. Peterson: I am sorry I cannot answer that question; the time has expired. However, let me say to my honourable friend, if

you will permit me, Mr. Speaker, that this will be answered shortly.

PETITION

AUTOMOBILE INSURANCE

Mr. Swart: Spontaneously, a number of petitions are arriving on my desk. This one is addressed to the Honourable the Lieutenant Governor and the Legislative Assembly of Ontario and is signed by 80 people. It reads:

"We, the undersigned, beg leave to petition the parliament of Ontario as follows:

"That government auto insurance be implemented to: stop excessive premiums and escalating rates; prevent cancellation or refusal to renew insurance; stop rates which victimize young male drivers with good driving records; stop the penalizing of all drivers in a household because of one driver's poor driving record; stop discriminatory rate increases and to ensure that all drivers can afford insurance they are legally required to have."

INTRODUCTION OF BILLS

MINING TAX AMENDMENT ACT

Hon. Mr. Nixon moved first reading of Bill 189, An Act to amend the Mining Tax Act.

Motion agreed to.

Hon. Mr. Nixon: The bill contains the structural changes to implement the mining tax reform proposals that were announced in the October budget. The changes will reduce the tax liability for most of the mining operators. This will be achieved by replacing the present multiple rate tax bracket structure with a single tax rate of 20 per cent applicable to all profit levels in excess of a basic level of exemption; increasing the basic profit exemption level from \$250,000 to \$500,000; and establishing the operator rather than the mine as the fundamental unit of liability for tax.

The provisions of the bill have been designed after considerable consultation with the industry, and on the whole, the bill has its support. The bill also provides for administrative reform by simplifying and improving the provisions under the act. To this end, many of the administrative provisions of the Corporations Tax Act will be adopted, thereby enhancing consistency with other Ontario taxing statutes.

It is proposed that these reform measures become effective on April 1, 1986, in line with the commitment made in the October 1985 budget. In order for the mining industry to

benefit from these reform proposals, I hope the bill will be enacted before the House adjourns.

MENTAL HEALTH AMENDMENT ACT

Hon. Mr. Elston moved first reading of Bill 190, An Act to amend the Mental Health Act.

Motion agreed to.

Hon. Mr. Elston: The bill that has just been introduced was the subject matter of a statement I delivered earlier in the day.

ORDERS OF THE DAY

COURTS OF JUSTICE AMENDMENT ACT

Mr. Ward moved, on behalf of Hon. Mr. Scott, second reading of Bill 161, An Act to amend the Courts of Justice Act, 1984.

Mr. Ward: I will make some brief introductory comments. Bill 161 is An Act to amend the Courts of Justice Act. It creates the position of a senior judge for the unified family court. It has further amendments which correct some erroneous cross-references in the original legislation. It also makes some substantive amendments with regard to the role of the official guardian's reports and provides the express authorization for the renewal of old writs of execution.

I would like to speak briefly to three of the more substantive aspects of the bill.

First, with regard to the creation of a senior judgeship for the unified family court, as the work load of the unified family court has grown in its nine and a half years of existence and as the judicial and support staff has grown, it has become apparent that there is a need for a senior judge on site to direct the judicial operations of the court and to provide a single source of direction for the administrative staff of the court.

With regard to the official guardian's reports, section 125 of the Courts of Justice Act now requires the official guardian to do an investigation and report to the court in every divorce action in which there is a child of the marriage, regardless of whether there is a claim made for custody of or access to the child or whether there is any problem or difficulty relating to custody or access. In recent years, the volume of this case load has increased to 14,000 cases annually. The amendments to the act no longer require that an automatic official guardian's report will have to be filed.

I look forward to the comments of other members of the Legislature, and I hope we have speedy passage of second reading.

Mr. O'Connor: I can assure the parliamentary assistant that as far as this party is concerned,

this bill will have speedy passage; today, if possible.

As indicated by the previous speaker, most of the sections of the bill are of a housekeeping nature and are necessary. They require little explanation other than as contained in the bill itself.

I would like to make a comment or two about the one substantive section, section 6. Section 6 now provides that in a divorce action, a Children's Law Reform Act action or a family law action before the Ontario courts, what had previously been necessary in each and every one of those cases where children were involved was the production of an official guardian's report and presentation of that report to the court.

In about 90 per cent of all uncontested divorce and family law cases, the question of custody and access is amicably resolved between the parties. Notwithstanding that fact, it was necessary to file the divorce papers with the official guardian's office and have someone from that office conduct an investigation of both parties, usually by mail if it were uncontested, and thereafter produce a report—usually a one-line, two-line or three-line report—to the court before the divorce could be granted or the matter could proceed to court.

Because of the ever-increasing volume of divorces and separations in the province over the past few years, the backlog of investigations has become almost unmanageable, to the point where even in the simplest and most straightforward divorce cases, if there are children involved, the delay period is up to six, eight and 10 weeks. This is completely unnecessary in most cases where the parties have agreed to all the issues between them.

Thus, we welcome a section that now does away with the necessity for an automatic official guardian's report and provides that only in a case where there is a contest, where there is an issue between the parties as to custody and access to the children, should the matter be referred to the official guardian's office for an investigation.

This reduces the time to obtain a divorce in the standard and usual uncontested case by between six and 10 weeks, something that will be welcomed by the many dozens of thousands of couples who go through uncontested, simple divorces in this province on an annual basis. This section is long overdue. It is one with which we can agree entirely and will support on all the stages of the bill.

1520

Ms. Gigantes: I will speak to the bill; I will not debate it. The position of my party is that this

bill should be given quick approval. We are in support of it in all its many sections for many of the reasons that have been outlined by the previous speakers.

Mr. Ward: Before second reading, I just want to indicate that I have one small amendment, which I believe has been circulated to the two critics. I ask that we move briefly to committee of the whole House after second reading of Bill 161 to clear that up.

Motion agreed to.

Bill ordered for committee of the whole House.

House in committee of the whole.

COURTS OF JUSTICE AMENDMENT ACT

Consideration of Bill 161, An Act to amend the Courts of Justice Act, 1984.

Sections 1 to 5, inclusive, agreed to.

Mr. Chairman: Mr. Ward moves that the bill be amended by adding thereto the following section:

"5a. The said act is amended by adding thereto the following section:

"75a. Where no provision is made for an appeal from an order of the provincial court (family division), an appeal lies to the district court."

Mr. Chairman: Does the parliamentary assistant have comments to make on the amendment?

Mr. Ward: No. I think it is self-explanatory. It just clarifies the appeal process.

Motion agreed to.

Sections 6 to 11, inclusive, agreed to.

Bill, as amended, ordered to be reported.

On motion by Hon. Mr. Nixon, the committee of the whole House reported one bill with a certain amendment.

PAY EQUITY ACT

LOI DE 1986 SUR L'ÉQUITÉ SALARIALE

Mr. Ward moved, on behalf of Hon. Mr. Scott, second reading of Bill 154, An Act to provide for Pay Equity in the Broader Public Sector and in the Private Sector

M. Ward, au nom de l'hon. M. Scott, propose la deuxième lecture du projet de loi 154, Loi portant établissement de l'équité salariale dans le secteur parapublic et dans le secteur privé.

Mr. Ward: I am pleased today to move second reading of Bill 154. The importance of this legislation cannot be overestimated. This

government has been unwavering in its commitment to the principle of pay equity, to the principle that wages cannot and should not be based on a worker's gender.

Ontario's work force has seen remarkable changes in the past few decades. In just 20 years, the full-time female work force has almost doubled to 44 per cent of the total work force. Within 10 years, more than half of the full-time work force in Ontario will be women. These women, these two million workers, are not now and perhaps never were secondary wage earners. In fact, almost half of them are the sole support of themselves and their families. Almost 90 per cent of single-parent families in Ontario are headed by women who need and want to work.

The face of the work force in this province is dramatically different as a result of the tremendous influx of women. One would naturally expect that the earning capacity of this segment of the labour force would have made similar inroads. This has not, however, been the case. The difference in wages between men and women has remained disturbingly constant.

In the past 17 years, the wage gap has dropped only four per cent, from 40 per cent to 36 per cent. It is a problem that time alone has not cured. In spite of women's achievements and their growing numbers, their economic status lags behind. A specific, strong remedy is needed. The legislation this government has introduced will help to narrow this wage gap significantly. It confronts the issue squarely with a well-defined purpose: to remove gender-based pay discrimination in the private and broader public sectors.

It is true that gender-based pay discrimination is not the only reason for the wage gap. Differences in hours worked, experience, unionization and so on are all important factors in wage disparities as well. A number of different strategies are required before the gap can be closed entirely. Education, training, employment equity and child care will all be part of the solution. The role of pay equity is critical. This measure is the only means of addressing the issue of gender-based pay discrimination in the private and broader public sectors and the impact of this discrimination on pay practices.

1530

The Canadian census lists 500 job occupations. The vast majority of working women are clustered in just 20 of those occupations, primarily in the clerical, sales and service sectors of the economy. The jobs they do are labelled "women's work." We can trace much of the wage gap to this occupational segregation. The

work that women do has been traditionally undervalued. When women first began their entry into the labour force, they were hired for tasks similar to those they performed at home: domestic chores, nursing the sick and caring for children. This labour was not highly valued at home and, therefore, employers paid low wages for it outside the home as well.

Women's wages have also suffered from another historical attitude, that women are secondary wage earners and do not need to work. The statistics I pointed out earlier contradict this assumption, but the salaries that women are paid today continue to reflect those prejudices of the past.

Before we developed the legislation under discussion, we consulted with many groups and individuals. We talked to women, labour and business. We held a series of public consultations all around the province and formed special advisory groups to focus on the issue of pay equity. The process we undertook reinforced our belief in the need for the legislation. We heard repeatedly throughout discussions, meetings and public presentations that women's work has been undervalued.

It is still the case sometimes that men doing work that requires less education, training and responsibility are paid more than women doing work that is more demanding, requires more education and has more responsibility. Some people in this province continue to be sceptical that this situation exists. Let me give a few examples.

The city of Windsor produced a job evaluation report in 1984 that showed some remarkable discrepancies. Basing their job evaluation system on point factors for such things as job knowledge, mental ability, manual skills, human relationships and so on, they came up with the following finding. A clerk supervisor in parks and recreation received 485 points for his job and earned \$13.81 an hour. A secretary to the city clerk received 605 points and earned \$12.21 an hour. In other words, she had a total of 120 points more than he did but she took home \$1.60 an hour less.

There are many other such cases, all well documented. At one Ontario university, for instance, a female clerk is paid \$16,000 annually. Her job requires a grade 12 education plus business or secretarial training. In contrast, a groundskeeper employed by the same university earns \$20,000 a year. His qualifications include a grade 10 education and a driver's licence. This case pointedly illustrates the need for pay equity.

The female employee has more education and more training than the male employee and, I am sure it can be argued, more responsibility; yet she is paid \$4,000 less per year than he is.

Case after documented case confirms the problem, and the problem refuses to disappear. These are the kinds of situations that pay equity legislation seeks to address.

Equal pay in 1951 required that an employer pay the same wages to men and women for the same work. Pay equity in 1987 will require that an employer pay the same wages to men and women who are doing dissimilar work, if that work is determined to be of equal value to the employer. It does not make sense to single out selected groups of workers to receive lower wages based not on the value of the work they do but on the fact that they are of a particular sex. In other words, women do not fully share in the opportunities that employment provides.

It is no longer true to say that women do not need the money, that they are moving up the corporate ladder and their wages will increase accordingly, or that they are now being treated on an equal footing with men and it is only a matter of time before they start to earn as much. The statistics cited earlier contradict all these arguments. The time has come to ensure that gender discrimination has no place in our society or in our work places. Pay equity legislation will provide that assurance.

It might seem strange now that not so long ago a man and a woman could sit in the same office or at the same work bench or in the same production line, do the same work and still take home different amounts in their pay packets at the end of the week, but that was happening. That is why equal pay for equal work legislation was introduced in 1951. That proposal was preceded by the same kind of debate we hear today about pay equity. It is highly doubtful that any of us would willingly return to that earlier era, to a time of such obvious injustice.

Pay equity is a natural extension of the concept of equal pay for equal work, which has been the law in Ontario for 36 years. In 1951, we overcame a historic inequity in pay practices. In 1987, our achievement will be no less significant. This legislation is a serious commitment to reform. The work of the women of this province is valuable not only to the businesses and institutions they work for, but also to society as a whole. When pay equity is established, their contribution will begin to be recognized and rewarded.

We believe pay equity legislation will help to close the wage gap, alleviate job ghettos and, in the final analysis, provide all Ontarians, men and women, with a very real sense that they are all being treated fairly in the work place. Working women in Ontario are going to gain in a practical way from the new pay equity policy. It will put more money in their pockets and help them to better their standards of living. For the thousands of women who are the only breadwinners in their families, this legislation will offer welcome relief.

Since the bill was introduced in the House last November, there has been considerable political debate about specific features of the legislation, but this has not managed to obscure the basic consensus among all three parties in this House, namely, that the pay equity legislation is essential and must be approved as quickly as possible.

This government continues to honour women's rights to true economic equality. We share that goal, that conviction and that vision of the future. We are all aware of the urgent need for this highly important legislation. It is my hope the bill can proceed through the legislative process quickly so that we can start making pay equity a reality for Ontario's working women.

Ms. Fish: I am pleased to rise today in this debate to indicate my party's support in principle for this bill and the similar wish we have to see this piece of legislation move to committee to enable members of the public and interest groups concerned with the matter to come forward and give us the benefit of their thoughts on the particulars of the legislation proposed by the Attorney General (Mr. Scott).

I would, however, like to make a few comments in a general way on the legislation before seeing it carried on. Perhaps the most important initial statement would be with respect to the uncertainty with which we now are confronted in the fit between this legislation as proposed and Bill 105 as introduced by the Minister of Labour (Mr. Wrye) and amended by the standing committee on administration of justice, a bill that deals with pay equity proposals for the public sector.

We on this side are particularly saddened at the government's intransigence in refusing to proceed with Bill 105, which was the subject of many weeks of hearings and depositions, with many interest groups and members of the public coming before the committee in good faith to make proposals and comments on the mechanisms in the bill, the coverage of the bill, details

with respect to payment of funds and the rate at which adjustments would be made, only to find ourselves in a circumstance wherein, on responding in good faith to those concerns, which had the effect, we would argue, of substantially improving the bill, the government has not been prepared to proceed but has left it in limbo.

1540

That concern has been compounded by the fact that, in introducing Bill 154, the specific subject of today's comments, many of the areas that were the subject of critical submissions from the public on Bill 105 and many of the areas which, as a result of those comments, were amended and changed in Bill 105, have been completely disregarded by the government in Bill 154. The same thresholds are introduced, the same mechanisms used and the same triggers put in place, on which we have already spent many weeks of hearings from the public and interest groups; the committee has expressed its wish already to see them substantially changed and, we consider, substantially improved.

I note that the areas that were changed in Bill 105 and that we on this side of the House were deeply disappointed to see were not attended to by the government in bringing forward Bill 154—areas, by the way, that we intend to see amended in Bill 154—speak to some fairly obvious goals of the legislation or of any legislation that should be put forward; namely, simplicity, economy and ready understanding on the part of those who are purported to be protected by the very legislation that comes forward.

Overly complicated, complex, cumbersome and difficult to understand requirements, bases or mechanisms of implementation do not serve anyone well. Surely, as we take yet another round of government legislation on pay equity, we will be able to learn from what we have already heard and will be able to see some substantial improvement to those very things in any legislation that proceeds.

I have absolutely no doubt in my mind that many of the same deputants who came before the standing committee on the administration of justice to speak to these points on Bill 105 will be before us again as they see the government repeating or attempting to repeat many of the same problem clauses and problem requirements in Bill 154.

I also note that this legislation or any other legislation clearly forms only one element in an overall attempt to redress and change within our society the opportunities for women who are

working outside the home. I use that phrasing fairly carefully, because there has been a tendency occasionally to suggest that women who remain in the home are not working, that it is only those who are out of the home who have worked.

In fact, women work in the home, but very rarely is a value placed upon that work which is substantial and traceable. Unfortunately, that work, often caring for the home and, most important, caring for the children of the home, the next generation, wins no value as work in the home. Similarly, it has not been valued when women have worked outside the home, particularly in the same fields.

We can look at the sorry conditions of those who are in the child care and the early child education fields, the very areas where in this chamber we speak often about the importance of the next generation, about the treasure for all of us our children are, about the family values we hold dear, one of which family values is the care and raising of our children. Yet society as a whole continues to resist a high evaluation of that very work, which is commonly classed as women's work, whether that work is performed in the home or outside the home.

It is with some considerable disappointment, therefore, that we find that Bill 154, as it is before us—and we will deal with this at a later date in clause-by-clause, I am sure—appears to remain completely silent on the issue of that systemic gender discrimination and pay inequity for women who have been doing traditional women's work outside the home, notably in child care.

We look forward to hearing the government's proposals through anticipated amendments to this legislation, the mechanisms it will bring forward to correct that and to ensure that one of the first and most obvious areas of gender discrimination and pay inequity will be resolved in any legislation the government proposes to bring to conclusion and adoption in this House.

However, other areas clearly require initiatives and action and must be seen as companion steps necessary to appreciate the context in which any proposed pay equity legislation is addressed. They range from issues of pension reform through educational initiatives for the young men and women of our society, skills retraining and re-entry into the workplace and human resource development, to the broader question of policy in the child care area, not just for those who work in the area but also for the availability of child care within our society.

In those areas, we will certainly be watching carefully the initiatives and noting singularly the lack of initiatives from the government benches in providing the necessary companion initiatives to make genuinely workable any pay equity legislation for the women of this province.

As we consider this legislation, we will particularly expect to be reviewing the amendments put forward in Bill 105 and will expect to be seeing them again in this legislation. We are particularly concerned, as I noted a few minutes ago, about the implementation mechanisms, the thresholds and the triggers.

It is our view that the work has already been done, through Bill 105, on the appropriate courses of action for the public sector. We will be listening with considerable interest to the submissions we anticipate will be made on those same questions as they apply to the private sector.

Notably, we expect submissions and propose to review the question of the differentials built into the structure of this legislation that distinguish different sizes of firms and companies in the private sector, the different requirements, and whether they are in conformity with pay equity proposals, the nature of the policing or monitoring, the ease of understanding by the workers protected, the ease of meeting any requirement by the business affected and the period for any adjustments to be put forward.

We also want to understand with considerable clarity the impact of exemption proposals that may be brought forward. Notable in that regard would be any exemption proposals dealing with the rather arbitrary question of size of company as distinct from type of business, but we will also be interested in the proposed exemption for temporary labour shortage, how the government proposes to define that one and see us through the application of pay equity in the public and private sectors.

Finally, simply to close at this point, we are very much in support of the principles of pay equity for the public and private sectors. We deeply regret the government's ignoring of the considerable work that has already been undertaken in refining and substantially improving the proposals and mechanisms for pay equity in the public sector and we look forward to the submissions we will doubtless be hearing on the details of implementation for pay equity in the private sector as we go forward to committee.

1550

Ms. Gigantes: It is my great pleasure to participate in the second reading of Bill 154. In

my bad periods over the last few months, I thought it might never arrive. When our government changed hands following the election of May 1985 and the accord was struck between the Liberal Party and my party concerning the work agenda for the next two years of new government in Ontario, equal pay for work of equal value in both the public and private sectors of Ontario was a commitment of the government. It was an undertaking that legislation would be tabled in the first session of the new parliament, which of course ended fully a year ago now.

There were many times when I lost faith that we would ever see this legislation, let alone get to the point where we would be in second reading of it.

I guess one has to take the attitude on these things, having waited so long, that whatever it is we now propose to offer to the public of Ontario and in particular the women of Ontario, however fine or not the product is, at least we have it. Most women are very familiar with the adage that says half a loaf is better than none. I do not know that we have even half a loaf here. There is a lot of work to do on this subject before we get legislation, and I hope legislation that will be stronger than the bill currently before us.

We cannot always get what we want, but we are going to try real hard to get what we need for women in this province. I think it would be a grave mistake for us to proceed to accept legislation that does not effectively deliver that long, long offered promise of equal pay for work of equal value. It is in that context that I speak. When I have suggestions to make on behalf of my party, it is in that context. We want the legislation to work. We do not want a promise that has been held out so long to be one that is empty when it is delivered.

The previous two participants in this debate have spoken directly to the changing nature of women's role in society. It goes beyond the work world, of course, but we see it most directly in the work world. The view that women have of themselves and of their role in society has definitely, definitively and probably eternally changed over the last two decades.

When I was young, it was thought quite reasonable for a young woman to think of herself first of all as a daughter, someone's daughter, and then to plan to become someone's wife, to expect to be a mother and to have to face the fact that at some point she might be a widow but, hopefully, somewhere along all those lines of dependent role playing that she had engaged in, have somebody who would have some responsi-

bility for looking after her, perhaps a husband who would have left behind a life insurance policy.

Always, though, the view that women had of themselves and of each other was in this very dependent role where you defined yourself and your relationship with members of your family, your father, your husband, your children, your former husband and perhaps your children now grown.

That has changed. There have been many reasons for that change. One of the most significant measures we have seen of the degree of change has been the rate of participation of women in the work force. We see it very strongly in Ontario. There are about two million women in Ontario who are in paid employment and as of November 1986, 58 per cent of the women of Ontario of working age were in the work force.

Of those two million women, only one in five works in a situation where she has the protection and position in the work force that is assisted by a labour union. Only one in five or 20 per cent of women belong to trade unions. Of the women who are in trade unions, 60 per cent are working in the public sector. In the private sector in Ontario, the rate of union membership among working women is extremely low. I draw this to the attention of the House because it speaks to women's vulnerability in the work place to a degree that is very marked in its difference from that of men. Women do not have the supportive network and strength in terms of their bargaining position in the work place that men have.

Among the two million women who work in Ontario, one in four works part-time. We are talking about 500,000 women who are in the work force part-time. That again is significant, because for part-time workers there are very few benefits and the protection of unions exists infrequently. Women are very vulnerable in their position in the work force.

We know that accompanying these circumstances, and arising out of the description we had earlier from previous speakers of discrimination based on the nature of work and the designation of some kinds of work as women's work and the undervaluing of that work, the result has been that if we compare the wages in Ontario of men who are working full-time with the wages of women who are working full-time, women are earning 64 cents of the male dollar.

When we fold in part-time workers and their wages, the statistics become even more grotesque. If we include part-time female workers and do a male-female comparison, we find that

females in Ontario are earning about 50 cents of the male dollar in the work force. For example, in 1984, 50 per cent of the women who were working in Ontario earned less than \$10,500 a year, and in the same year, the median income for men was \$21,163.

This effectively means that women who are not looked after by rich daddies, who cannot depend on husbands for income, who have never been married, who have to raise children on their own, whose partners have died—in other words, women who have to live on their own or assume responsibility for their children—are getting 50 cents on the dollar on average in Ontario compared to men.

Over the past several months of work here in the Legislature, we have attempted to address in legislative terms some of the problems women face, but in many ways we have made little progress; for example, when we have tried to look at the difficulties faced by the increasing number of women who are single parents, who are responsible for raising children and who should, according to court orders, be receiving maintenance from their ex-spouses.

The government brought forward Bill 14 to provide automatic enforcement of maintenance orders. We passed that legislation well over a year ago, and we still do not have the mechanisms in place for the automatic maintenance enforcement system to work. The result is that we estimate that only 15 per cent of women who are raising families and who are dependent—who need the maintenance orders which have been made by courts—are actually receiving those payments from their ex-spouses.

1600

Progress is exceedingly slow. Sometimes one feels almost desperate about how slow it is. It makes us even more careful and determined when we get to legislation of this nature, from which we have a right to expect so much on behalf of women.

The parliamentary assistant made reference to the 1951 beginnings of legislation, which purported to provide that where the same job was done in Ontario by men and women, there would be equal pay. That legislation has not been properly administered. There are inadequate methods of forcing compliance. The Ministry of Labour has not been able, has not found the way, has not found the will, has not provided effectively that where a complaint is made by a woman that she is doing equal work—really, the same work—but not getting paid equally, she can get redress through our existing legislation.

In spite of the penalties provided in legislation, there are cases where a woman makes a complaint which is well founded and which the Ministry of Labour agrees is well based and she is subsequently fired by the employer who infringed our legislation. There has not been one successful prosecution of one employer who has defied that legislation.

When we see what has happened with a piece of legislation which in 1986 one would expect would have produced some real results for women where they do equal, exactly equivalent work, then we know we have to be very careful about how we frame this legislation. We have to be very insistent about how it is going to be administered.

First, when we look at this legislation, given the fact that we have had month after month of public committees, interministerial committees, advisory committees, hearings committees—you name it, there is not much we have not done around this subject. Instead of producing legislation and getting effective measures in place, there has been a train of diversions to bring us to this day. Having gone through this whole process, at least we have had a very thorough discussion—too much discussion, in my view—and a good understanding has developed on a very broad public front about what we are after.

The commitment in the accord was to provide legislation offering protection that would give women equal pay for work of equal value. We have seen the development of a different kind of contract in two bills that have been presented in this Legislature; first in Bill 105, which was tabled by the government to address equal pay for work of equal value in the public service of Ontario, and in Bill 154, which is before us today. It is something that has come to be known as “pay equity.”

In Bill 105, pay equity turns out to mean the following of a very complex set of planning steps. Once those steps are through, the result is supposed to be something called pay equity and it is supposed to meet the public need to have legislation that provides equal pay for work of equal value. Pay equity, as it is drawn out for us in Bill 105, does not do that, and we have the same problem when we look at Bill 154.

I am going to take a moment, with the indulgence of the House, just to read the sections that I think indicate precisely what I am talking about in the difference between pay equity as it is defined in this bill and the concept for which I think there is real public support and which

should be our goal in this legislation, which is equal pay for work of equal value.

Starting at subsection 3(1), we have the purpose set out in the bill:

"The purpose of this act is to redress systemic gender discrimination in compensation for work performed by employees in female job classes."

Female job classes are defined as job classes in which more than 60 per cent of the employees are female. Subsection 3(2) reads:

"Systemic gender discrimination in compensation shall be identified by undertaking comparisons between each female job class in an establishment and the male job classes in the establishment in terms of relative compensation and in terms of the relative value of the work performed."

So far, so good. Section 4 says:

"For the purposes of this act, the criterion to be applied in determining value of work shall be a composite of the skill, effort and responsibility normally required in the performance of the work and the conditions under which it is normally performed."

Good again; we can all understand that. Then we get to subsection 5(1):

"For the purposes of this act, pay equity is achieved when the job rate for the female job class that is the subject of the comparison is at least equal to the job rate for a male job class in the same establishment where the work performed in the two job classes is of equal or comparable value."

Subsection 5(2) says:

"Where there is no male job class with which to make a comparison for the purposes of subsection (1), pay equity is achieved when the job rate for the female job class that is the subject of the comparison is at least equal to the job rate of a male job class in the same establishment that at the time of comparison had a higher job rate but performs work of lower value than the female job class."

I am sure members understand that. Subsection 5(3) says:

"If more than one comparison is possible between a female job class in an establishment and male job classes in the same establishment, pay equity is achieved when the job rate for the female job class is at least as great as the job rate for the male job class,

"(a) with the lowest job rate, if the work performed in both job classes is of equal or comparable value; and

"(b) with the highest job rate, if the work performed in the male job class is of less value."

What one can understand out of those very complex clauses is that a degree of minimalism is being structured into these sections that says that when a comparison is made and we decide there is a group of women working in one kind of work, and if in the same establishment, the same firm, the same private sector office—whatever it is—there is a group of males who do comparable work or nearly comparable work, when the comparison is made, then the women shall get the least in terms of pay that such a comparison would merit. When that happens, the legislation proposes to us, pay equity will be achieved.

The way in which we have proposed in Ontario to approach the question of equal pay for work of equal value is a two-step process. First of all, there is the creation of these comparisons through a planning mechanism in most cases, one would hope. That is called the proactive stage. Second, there is a follow-up step in which people who have seen comparisons carried out in their work places can appeal to the Pay Equity Commission of Ontario, which we set up under the legislation. They can say that in spite of this process—the planning and the comparisons—instead of the adjustments that have been made, however minimalized those adjustments have been, the group of workers they work with is still not getting equal pay for work of equal value.

1610

It is very important that we have an understanding of what equal pay for work of equal value, is as differentiated from these structured definitions of pay equity, if that second part of a two-stage process is going to be effective in assisting a lot of people who will not be helped by the first stage. As I go on, Mr. Speaker, you will see that in the proposal we have before us in Bill 154 it becomes particularly important that the second complaint step that we are looking at bringing into legislative effect is based on a very clearly understood principle of what equal pay for work of equal value is.

In my view and that of delegation after delegation and individual after individual who came before the standing committee on administration of justice discussing Bill 105, the concept of equal pay for work of equal value is a very simple one. It is the concept as spelled out in sections 2, 3 and 4, which I just read. It is a comparison of the skill, effort, responsibility and working conditions of jobs.

When we look at what happened to Bill 105 and the discussion which surrounded Bill 105—and my colleague on the justice committee, the member for St. George (Ms. Fish), has made

reference to this in her speech—we can say there were certain understandings achieved in the justice committee hearings. The representations that were made to us during those hearings clearly spelled out certain definitions and operative principles. When we came to the amendment of Bill 105, we set certain standards for what had to be embodied in legislation that was going to be effective on behalf of the women of Ontario.

If we boil down those standards, those principles and those understandings which were brought to our committee and which it reflected through amendment to Bill 105, the earlier bill that was addressed to the public service of Ontario, we can say they fall into four broad categories. They are money, what the sources of money are; timing, how quickly the legislation will have effect for women; coverage, whether the legislation will provide protection for all women; and the role of unions, whether they have a real role in this whole process.

My party has taken the initiative to try to have an agreement achieved in this Legislature that certain understandings and basic standards for effective legislation for equal pay for work of equal value be agreed upon by all the parties represented in this House. We had agreement between the two opposition parties in the standing committee on administration of justice which dealt with Bill 105. The government got snarled up a bit in terms of its concern about procedure in the justice committee hearings on Bill 105. I hope that will not provide a continuing impediment to the possibility of three-party agreement on the principles we seek to establish in the legislation we are dealing with now.

I want to run through briefly the four areas we consider to be the basic understandings, the basic standards that have to be established in this legislation if it is to be good legislation. First is the question of money. It is fairly clear to anybody who thinks about this matter that women should not have to pay the cost of equal pay legislation. That may seem self-evident, but unfortunately, given the wording of Bill 154 and some earlier statements by the Attorney General (Mr. Scott) on this subject, that very simple premise which is so obviously fair has doubt cast upon it.

Once we have said to employers in Ontario, "You must compare female and male jobs and you must make adjustments in the pay you provide to females if you find you have undervalued the work they do in comparison to the monetary value you have placed on male work," it is possible for employers to say, "What

I will do is give women more money, one per cent this year, one per cent next year and one per cent the year after, but it is going to come out of wage increases."

That does not make much sense because, in terms of restrained wages and a lower increase in a general annual wage package, it means not only will men be paying, which will create division within the establishment or the firm on this question, but also women themselves will be forgoing wage increases to get something that is now called an equal pay adjustment. Obviously, we will not benefit women if that is the way the legislation is going to be set up.

It does not benefit me if my employer says: "My gosh, you have been getting three per cent too little when I compare your work with your male colleague's work. I am going to take one per cent per year out of your general annual wage increase. You used to get a four per cent increase every year, but this year, next year and the year after you will get three per cent and the other per cent I am going to call your equal pay adjustment."

That does not help me at all. It does not make me feel any better, it does not make me feel my value has caught up somehow and it does not put any more money into my pocket, which is the real measure of how good I will feel and how effective this legislation will seem to me. That is critical. It has to be the case that the adjustments in pay are paid for by employers. It is perfectly reasonable to expect they would be.

After all, it is women's work that has been undervalued. That means there has been a financial benefit to employers for all the years we have not had equal pay legislation. Now it is their time to catch up. It was women who subsidized the employer all these years. Now it must be the employer who pays, whether that employer is the government of Ontario directly, the government of Ontario indirectly, the children's aid societies, municipalities and so on or the private employers. It is elementary, it is absolutely basic and it must be established in our legislation.

We can do that. We proposed and passed amendments to Bill 105 earlier which had the effect of providing a test of whether there was wage restraint and whether employers were accepting their responsibility to provide the costs of equal pay.

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It is also critical in the same area that if this government, this parliament, is going to say it is the responsibility of all employers in Ontario to provide equal pay protection for women and to

provide adjustments in cases where we can see by comparison that women's work has been undervalued, then it is the government of Ontario, the Legislature on behalf of the public of Ontario, that must provide the funding for those public sector agencies that receive a great deal of their funding from the government of Ontario.

Let me give an example: agencies that provide child services. The children's aid society in Ottawa has been living hand to mouth through years of fiscal restraint by the provincial government. It has been mandated to increase its programs and its responsibilities to children in the Ottawa area. On the other hand, the allocations given by Ontario have not kept up with the increased mandate that has been placed on it. If we turn to that agency today and say, "You are going to have to make adjustments in the pay of women if you find that women are doing comparable work to men in your work place, but are getting paid less," where is the children's aid society going to get the money to do it?

We have to be realistic about this. We have to have a separate allocation that will come from the government of Ontario, the public of Ontario, to support those agencies in the full public sector, such as universities, municipalities, school boards, children's aid societies and so on which are going to need to pay women more money under this legislation.

We cannot ask the property taxpayers back in the city of Ottawa to pick up these costs. This is a provincial standard we are setting. There is broad public agreement that we want to see these measures undertaken, that we want to see women given equal pay for work of equal value. There has to be a commitment of public money to help it happen in a real way in the public sector. Both at the level of public agencies and in the private sector, we have to have separate funds set aside for the achievement of equal pay adjustments, for the achievement of the goal of equal pay for work of equal value. These are the critical money issues.

On the question of timing, the legislation we have before us is still in a very unsatisfactory state. According to the figures we have been given by the Ontario women's directorate, in the private sector there will be 238,800 women employed in firms that have fewer than 10 employees. All firms with fewer than 10 employees would be exempt from this legislation. There are other exemptions built into this legislation, and I will address them in a moment. Firms of a size from 10 to 49 employees would be

given six years under this proposed legislation before any female employee in one of those firms would be able to lay a complaint with the Pay Equity Commission.

If I work in a firm that employs 10 to 49 employees—there are 238,800 women according to the women's directorate who work in firms of that size in the private sector of Ontario—and if I look at this legislation, I will learn that after six years of its operation I can make a complaint. Nobody will have had to provide me with a plan or a comparison with my male colleagues. I can then make a complaint to the Pay Equity Commission of Ontario. Under the legislation, the commission would not even ask whether I had equal pay for work of equal value; it would ask whether pay equity had been achieved. That is a limited notion, as I pointed out earlier.

If I were among those 238,800 women—that is more than one in eight of the women who work in Ontario—I would feel this legislation offered me very little. I would particularly feel that way if I were a woman who had worked in a firm of that size for the past 25 years and were getting close to the age of retirement. If I knew that by the time we got to year six after the effective date of this legislation I would be out of the work force, I would say, "What is in it for me?"

The timing of this bill, with its stages, sizes and so on, is something that is not acceptable. It suggests we could start pay adjustments in the public sector after two years. It suggests that for firms of 500-plus employees there would be plans that would start producing payments after three years. For firms with 100 to 499, there would be plans that would start producing adjustments for women after four years. If one were in a firm with 50 to 99 employees, it would take five years before the plan clicked in and one started getting an adjustment. If one worked in a firm with 10 to 49 employees, one would have to wait six years before you could make a complaint.

In what other kind of legislation do we put this kind of staging? The only thing I can think of is pollution control orders, which can go on through stage after stage. It is insulting to the women who are in the work force of Ontario to be told that one eighth of them can wait six years before they can even make a complaint.

We have to look at the timing in this bill; we can do a whole lot better than this. It is a very serious problem with this bill. For this legislation to be viewed as effective, we have to remedy the timing problems in it.

On the basis of the submissions and the amendments to Bill 105 which were carried in the standing committee on administration of justice, we are suggesting we put a time limit on the whole business of achieving equal pay for work of equal value. We suggest that we say to employers: "Here is the legislation. It is in place. Two years from now, you have to begin your equal pay adjustments; five years after that, you have to have them finished. The women in your work force should be in a position where they can look at themselves, each other and their colleagues and say, 'I get equal pay for work of equal value.'"

That seems to us to be a reasonable time frame in which to be working. It is not a time frame contemplated by this bill. I think we can do better, and I hope there will be all-party agreement on that.

On the subject of coverage, we have an enormous range of exemptions built into this bill. First, there is the infamous 60-70 per cent comparison. Comparisons shall be made between jobs that are predominantly filled by women, at least to the extent of 60 per cent, and they shall be compared to jobs held by men, which men occupy at a predominance rate—what a way to say things—where there are 70 per cent of men in jobs. That can leave out a lot of women. Just to say it has to be 60 per cent compared to at least 70 per cent can leave out a lot of women.

As the nature of the work force and the unemployment rate have gone through changes—the unemployment rate has gone up in the past several years—we know many more men are entering types of jobs formerly carried out almost exclusively by women. I think of our Queen's Park switchboard operators. Mr. Speaker will remember the comparison that was made in years past between the wages paid to our Queen's Park switchboard operators, who used to be almost exclusively female, and the wages of our parking attendants here on the Queen's Park grounds. Three years ago, we established that there was a real wage gap that could not be justified on the basis of skill, effort, responsibility or even working conditions.

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We know now, however, that there are many males employed as Queen's Park switchboard operators. I wonder how long it will take before it will not be possible to make a comparison between switchboard operators, all of whom, whether male or female, are being paid on the old female rating for their job. When will it happen

that we will not be able to compare the switchboard operators with the parking lot attendants and say that the parking lot attendants are paid better and the reason is that they are mostly male?

This is the type of synthetic test that has been put in as a first-run look at a work place. It might be useful. It might sort out some very obvious cases, but to stop there or do nothing more is a total limitation of the coverage and the effectiveness of this type of legislation.

As I pointed out earlier, we also have a whole category of women, currently one in eight women in Ontario's work force, who would not be covered by this legislation because they work in firms employing fewer than 10 people.

We have a further list of exemptions that employers can peruse to see whether they can make their work place acceptable for exemption; in other words, whether they can have their work place avoid the implications of this legislation. We have to look seriously at this whole question of coverage again. There is no acceptable reason anyone can advance that says whole categories of women will be systematically excluded from the protection we want to offer them, that their work shall be valued properly.

There are other categories of women—and they have been mentioned by the member for St. George—where the comparison of 60 per cent or 70 per cent will be meaningless. It does not exist in most day care centres, nursing homes and various other categories of work where most of the employees are female. A comparison cannot be made, and the legislation does not offer us anything concrete in legislative terms.

The minister has suggested that he will call upon the commission to make studies to suggest a mechanism for dealing with the necessary comparisons and upgrading of pay for women in those areas of work, many of whom are among the lowest paid of the workers in Ontario. I think we can do better than that. We can suggest within the body of the legislation itself that the commission has both a responsibility and a duty to provide a mechanism that will provide fairness in pay for women who work in those work places.

The last area of understanding that we had relatively well defined in the standing committee on administration of justice, in submissions concerned with Bill 105 and in terms of the amendments that we are approaching in Bill 105, has to do with the role of unions. This legislation says there shall be no plans in work places with fewer than 100 employees. In other words, that

first step I mentioned earlier, the proactive step, the planning step, the formal job comparison step which this legislation would call upon employees to provide—there shall be no such steps in work places which have fewer than 100 employees unless there is a union.

There have been at least two large unions representing many women workers in this province who made very strong submissions to us that we are to build into the legislation the flexibility that will allow unions representing women to develop methods other than job evaluation methods, to negotiate with the employers a separate equal pay adjustment package and have that separate and apart from the job evaluation plan in the old formal, rigid sense.

In some areas that probably makes a lot of sense. I remind members of the Canadian Union of Public Employees hospital workers' attempt to achieve a minimum job entry rate of \$10 an hour in their last large set of negotiations. They viewed that as a very important initiative towards the establishment of equal pay for work of equal value at a decent level for hundreds of women who work in the hospitals of Ontario.

We think unions should be called upon in this legislation to provide fair representation for the workers they represent. That is an important element in having this legislation be effective on behalf of women. It is all too easy for women to fall by the wayside unless an obligation is placed on their unions to look after the interests of union members in the negotiation of equal pay.

We would like to see flexibility allowed. We would like to see unions be given the power and the right, in conjunction and in separate negotiations with their employers, to establish methods other than rigid job evaluation structures for addressing the question of equal pay for work of equal value for their membership. We also want to make sure that the unions have a legal responsibility to provide fair representation. We want both union and employer to have the obligation to bargain in good faith when it comes to such negotiations.

The member for St. George talked about the historic undervaluing of the work done by women. We all know that to be true. We have a very important tool in front of us. We have the political readiness and we have the support of the public. We can do something about that long-standing unfairness, but to do it well, we have to have good legislation. We do not want half a loaf. After four years, we do not want to find women in Ontario saying: "This legislation did

not do anything for me. Those politicians said they were going to deliver, but they did not."

We know what we need in effective legislation. We have spent long—too long—thinking about it. There is a large measure of consensus. I am very hopeful that we can go quickly and with great unanimity of purpose, mind and method, get this legislation into committee and get reasonable amendments. I think we will have widespread public support and we will produce legislation that is going to be effective on behalf of women in Ontario who have suffered unfairness in pay for ever.

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Ms. Caplan: I am pleased today to rise in this debate on second reading of Bill 154, a bill that may, with the co-operation of the opposition, see pay equity as a reality in Ontario in the very near future for the extended public sector and the private sector. I have been listening very carefully to the comments from the opposition critics, and I think it is important to take a few minutes to discuss exactly what this bill is as opposed to what it is not, and then perhaps deal with some of what it is not and why it is not.

The purpose of this legislation is to eliminate gender-based discrimination in the work force in the private sector and in the extended, broader public sector. The scope of this bill will cover all employees in the broader public sector, which includes municipalities, school boards, universities and hospitals—effectively, all the transfer payment agencies of the government. It will also apply to all private sector firms with 10 employees or more. Effectively, 85 per cent of the two million female workers in Ontario will be covered by this legislation. That is very significant.

There are other models for legislation of this type, but I believe this one is landmark legislation because of the proactive approach it has chosen. I would point out to the New Democratic Party critic, the member for Ottawa Centre (Ms. Gigantes), that in 1983 the NDP bill for equal pay for work of equal value called for a complaint mechanism. We can see the federal model, where a complaint mechanism has benefited some 5,000 women after eight years. This bill will affect 85 per cent of the work force in Ontario in a much shorter period of time. It is extremely important to note the difference.

We also look at other models of legislation around this country and at our neighbours to the south for a very good example. Minnesota has implemented a bill for its public sector work force only. Manitoba, with a government that I

am sure is very familiar to the member for Ottawa Centre, has implemented a bill strictly for its public sector. When we talk about the need for comparison in job discrimination, in fact, they chose 70 per cent and 70 per cent. The piece of Ontario legislation that is before us today selects 60 per cent to determine what is a gender-predominated work force for women, and the comparison for 70 per cent men. It takes that extra step, and that is why it is landmark: it goes beyond what even the Manitoba legislation did in its public sector work force.

I am not going to debate Bill 105, as the member for Ottawa Centre did, because we know what happened to that bill. We have the chairman of the standing committee on administration of justice in the Legislature today. A ruling of the chairman was overruled in a precedent-setting case in this Legislature, one of a few in the past little while, to extend the scope of that bill beyond the powers of the committee.

Personally, I would like to state in this House my own disappointment at the actions of the opposition parties on that committee, because it is my belief that if they had followed the ruling made by the chairman of that committee and brought that bill back into this House, we could have had Bill 105 enacted in legislation by the end of 1986. Let us not for one moment forget who has been holding up the implementation of the policy of this government for equal pay for work of equal value, which is known as pay equity in Ontario.

It is very important to recognize that this is a plan for an effective, manageable, fiscally responsible righting of a historic wrong, something that has gone on for years, whereby women's work has been undervalued and this has been allowed to continue. As I said, this is antidiscriminatory legislation. It says, "You cannot discriminate against an employee because of his or her gender." That is what this legislation is, and I think it is very important to recognize that is what it is set to do.

It does not permit comparison outside of an establishment. It says that an employer will look at the establishment and make comparisons internally within the establishment. We are not talking about a province-wide wage scale. The kinds of amendments and things proposed, particularly by the member for Ottawa Centre, would lead to just that and would interfere with our competitiveness. It really concerns me because it shows a basic lack of understanding of what this piece of legislation does.

It is very important to understand that as one deals with an employment group in an establishment, the roles of the union and of the employer are clearly defined, and those who would say this legislation is complex and should be simple are again calling for the type of legislation which would be complaint based only.

When one has specific legislation, it then calls for telling the employer exactly what he will be required to do, when he will have achieved pay equity and how he compares. If this approach of being specific in the legislation were not taken, then one would have—and with all due respect to the very fine bureaucracy in Ontario—a bureaucracy the size of which would be unbelievable.

What this plan will allow for is a minimum-sized bureaucracy that, by the time the phasing of this legislation is complete, will have had an opportunity to examine all the plans put forward by the thousands of employers who will be involved with this legislation in, I suggest, an effective, efficient and workable manner, as opposed to the chaos that would result if one tried to do this overnight with the snap of a finger.

I invite the members of the opposition to come forward and try to work—

Interjections.

The Deputy Speaker: Order. The member for Oriole has the floor.

Mr. McClellan: She is distorting our position.

Ms. Caplan: Not at all.

The member for Bellwoods (Mr. McClellan) should take a look at the results of the federal legislation and what it achieved after eight years, and think about what the indirect benefits of this bill will be, because immediately upon proclamation of this bill, we will start to have the indirect benefits that will accrue in the marketplace as the market adjustments start to be made.

I believe that at the end of the timing of this bill, members will see that a full 85 per cent of the women will have been affected and probably more. I believe this is good legislation and is deserving of support. I hope, when it gets to committee, that it is given the kind of support that will allow it to become a reality.

I would like to talk for a moment about the principle and one other contradiction which disturbed me a bit. We have heard about the principle of equal pay for equal work and the fact that we have had that in Ontario for quite some time and nothing has happened. At the same time, we hear a call for a principle and a piece of legislation which says, "Give us pay equity, equal pay for work of equal value and then just

give us two years or let us go ahead and do it." There is that kind of contradiction rather than having a specific piece of legislation that says, "Not only are you going to do it and here is a timetable for doing it," but that responds to that with the specifics of what will be the obligations, how to do it and when it will be implemented in a phased manner that will say to the employers of Ontario, "This has been done after extensive consultation."

My frustration through this is that we have had broad and extensive consultation. There is tremendous support for this legislation, for the approach of this legislation, for the phasing and the timetable, and for the fact that 85 per cent of the women in the work force of Ontario will be covered, that it understands the impacts it is likely to have on the market, that it understands the need for Ontario industry to remain competitive, that it is manageable, workable and fiscally responsible and that it is a way of getting it done.

I look forward to the debate in committee. I believe this type of legislation, which is landmark and historic because it is proactive in nature, will lead to the kind of social justice system that all of us in this House are striving for in this province.

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I want to deal for a moment with some of the concerns that were raised about the fact that some establishments, some categories of women's work, will not be affected by this legislation. Both opposition critics mentioned day care workers. What is significant is the commitment of the minister at the time this legislation was tabled and brought forward. He recognized that this was a problem and said: "In regard to this bill as it stands today, we recognize that because there are establishments that are wholly female, there is no comparison. We must address that and we must address it expeditiously."

The first task or responsibility for the Pay Equity Commission when it is established after proclamation will be to look at the options, and there are many, as to how that matter can be addressed, and to ensure that the time lines for dealing with the specific problems are addressed, something this legislation cannot do because of the antidiscriminatory nature within an establishment. Giving the Pay Equity Commission that responsibility immediately, I believe, is the most effective way of dealing with these issues.

In the few minutes I have, I would like to say that we have an opportunity with this legislation to move forward in the area of pay equity. We have an opportunity, which I think we lost when

we were dealing with Bill 105, to recognize that pay equity is one component of the whole area of employment equity and not to try to solve the problems that fall outside the umbrella of pay equity in the component that deals with pay equity. We tried to solve things in Bill 105 that were outside the scope of Bill 105.

We can deal with the issues of child care, affirmative action, employment equity programs, skills training and education, but we cannot deal with all of those in this bill. If we try to do so in this bill, then I suggest we will have lost an opportunity to deal with pay equity, with equal pay for work of equal value, as a component of the total employment equity picture. This piece of legislation deals specifically with equal pay for work of equal value. It deals specifically with pay equity. This bill is not the total employment equity picture. I think it is important for us to recognize the difference.

Just as Bill 105 dealt only with the Ontario public service and the six schedule agencies, this bill does not deal with employment equity in total. Suggesting amendments that will expand the scope, as the opposition members did on Bill 105, will take it beyond the scope of what it is meant to do. By trying to include amendments to deal specifically with the issues of all-women establishments, education and training and child care workers, it is my fear that we may well stall the process rather than encourage the kind of progress this bill will allow us to bring forward.

I am not going to go back over the history of why we need this legislation, of why the concept and principle of pay equity has been accepted, as it has. I am pleased and proud to stand here today and acknowledge that for the first time in the history of Ontario, we have all three parties seeking the principle of justice and fairness for women in the work force. We all agree in principle. We are now given the opportunity to draft legislation that will make this a reality. I do not think we have to look very far.

As we go back over the past 17 years, we talk about the minimal change in the gap in wages, because the market was left to its own forces, and minimal changes to assist women whose paychecks have been just 52 to 64 cents on the dollar of what men earn.

We do not have to talk about the clustering of women into 20 out of 500 jobs—the parliamentary assistant dealt with that in his opening remarks—but that is the reality. In Ontario, women work in 20 jobs: clerical, child care and food service jobs, that have been traditionally undervalued because they have been the jobs women worked in. We

accept that. We understand that this is the reason we must stop the ghettoization. We identify the ghettoization of jobs by saying, "How do you know when you have a job ghetto?" If you can look at a job and see it is 60 per cent dominated by women, and if you can look at another job and see it is 70 per cent dominated by men, that is how you identify a male-dominated or a female-dominated job. This legislation says it very clearly.

We know, when we talk about poverty in this province—and I think it has been said very well—that women are, by and large, poorer than men. The difficulty is that they often do not have opportunities through pension plans, as the member for St. George (Ms. Fish) mentioned, because their wages are lower. This results in older age women being poorer.

In Ontario in the past 25 years, we have seen a great change in our work force. Now more than 40 per cent of the work force is made up of women. All this legislation does is recognize that it is time to right the historic wrong of the undervaluation of women's work. It is also specific on how to achieve that. It establishes a timetable and a time frame for seeing that this is done and achieved. The test will be at the end of that process when we look to see whether we have achieved it.

I will now respond to comments made by the member for Ottawa Centre. I thought the minister, in making his announcement, made one other very important point. That was about the role of the unions, the importance of the collective bargaining process in this province, the role it has played in the past and the role it will play in the future. I think labour, management and government—labour, business and government—all have a role to play in seeing that pay equity in Ontario becomes a reality. But as I have tried to state in this second reading debate, pay equity is not a panacea to solve all the problems associated with economic equality for women. Rather, it is a part of the entire employment equity policy endorsed by this government. It is necessary to view pay equity as a part of this process.

I am confident that if this bill receives at committee the kind of scrutiny, input from the public and support from the opposition members that it deserves, the system brought into place under Bill 154 will be fair and equitable to all participants in the Ontario economy. We have an opportunity to do this and should get on with it.

Mr. McClellan: I want to make two points. First, my friend the member for Oriole (Ms. Caplan) complained about a majority of members of the assembly acting democratically to amend Bill 105. I remind my colleague that at the time Bill 105 was amended in the committee, the Attorney General, who is responsible for pay equity in the broader public sector and the private sector, had missed five deadlines for the production of his piece of legislation.

Bill 154 had not been presented to the House. The minister had missed five deadlines, five promises he had made to produce that legislation. He had missed every deadline and there was no sign, no assurance and no belief that he would produce the legislation. That is why Bill 105 was amended in the standing committee on administration of justice by a majority and that is why we have Bill 154 in front of us today. The minister was forced to bring it in.

Second, with respect to the three issues of money, timing and coverage, does the member believe that equal pay should be paid for out of restraint of wages? Yes or no? On the question of timing, now that he is with us, does the minister believe that seven years for implementation, which is what we have proposed, is an unreasonable period? Yes or no? On the question of coverage, does the member believe that day care workers should be covered by the legislation now when it is passed by this assembly? Yes or no?

These are not unreasonable positions that we have put forward: no restraint on wages, seven years for implementation and coverage of all workers—for example, day care workers. I want my granddaughter's day care worker to be covered by this bill. Does the government want that or not?

Ms. Gigantes: I will be very brief. The member for Oriole suggested we had raised points or made arguments that, in fact, we had not. It may simply be that the member for Oriole was not a member of the justice committee which considered Bill 105, and she is not familiar with the amendments that were put forward to Bill 105.

I did my best, in the simplest way I knew how, to outline what the principles were and why we had put forward amendments. She suggested, for example, that the amendments we were proposing, the principles I was endorsing, were working towards province-wide wage rates. This is not the case. Legislation that is designed to bring about equal pay for work of equal value will be for one employer, his employees and the work place, however defined. The comparisons

will take place in that little envelope, and not across the province. The member knows that to suggest otherwise is ridiculous.

She suggests that the bill is fiscally responsible. It sure is. It does not obligate the public sector, the people she and I represent and on whose behalf we speak. There is no responsibility to make sure that one cent flows from the taxes of Ontario to make equal pay adjustments. This bill would say the municipalities can pay for equal pay adjustments at the municipal level. You bet it is fiscally responsible; it is fiscally zero in terms of the Treasury of Ontario.

The member complains about the ineffectiveness of the Canadian human rights legislation. Some 479,000 women would have either a simple complaint mechanism or nothing under this legislation.

Ms. Caplan: I want to reply very briefly on the issue of wages. The bill states very clearly that there will be no reduction in wages as a result of this bill.

Second, on the timing of this bill, which has received tremendous support from those consulted as to its implementation, as I suggested, the large percentage will be affected by this legislation in the early phases because of the impact, especially in the broader public sector. The phasing and the timing of this bill will allow for the kind of indirect benefits that, I believe, come from collective bargaining and that I think are being overlooked by many members of this House. As we begin to change the market relationship, I believe we will see an indirect benefit almost immediately, even to those who are not directly covered by this bill, and that is being overlooked.

As far as the coverage is concerned, 85 per cent of women in the work force will be covered by this legislation, which I think makes it landmark and historic. Again I would like to point out that those special cases, such as child care workers—which we have all agreed and the minister has agreed require special attention because they are unique and a wholly female work force in a specific area with a special place not only in our hearts but also in our society—must be dealt with expeditiously and by the commission, which will best understand the different ways of dealing with that problem.

I believe all the issues that have been raised have been dealt with in this bill in a manner that could allow pay equity to go forward, and I hope that in committee we will have the support of all parties in having the kind of landmark legislation

that will become a model for other provinces and other jurisdictions in this country.

Mr. Barlow: I rise to join in this debate on Bill 154. To begin with, I congratulate the parliamentary assistant on his new position, and I congratulate him for bringing this bill to the House. I hope we do not give him too much of a rough ride as we go through the debate on Bill 154.

Let me begin by suggesting and stating categorically that I am opposed to discrimination of any sort, whether it is in compensation, gender discrimination or discrimination based on race, creed or colour. Discrimination of any sort is, and should be, opposed by everyone. I support, again categorically, equality. Everyone was born equal, and I feel that this should carry on, all things being relevant and all things being considered. I feel we have to consider and we must do everything we can to wipe out any form of discrimination in the work place. That should go without saying.

Where I do have a problem, though, is with the imposition of equal pay for work of equal value in the private sector before it has even been tried in the public sector. We have heard the story about Bill 105 today. Amendments were proposed in the debate on Bill 105 that would have brought the total public sector, the broader public sector, under that legislation. Had that happened, had that been agreed to by the government, had that legislation been brought forward, it would now have been well on the road to implementation.

We would have been given an opportunity to review the public sector. It would be much easier to implement public sector wage equity within both the broader and the narrower areas, as they have come to be known. If after a period of time—perhaps a couple of years—it was working then maybe it would be time to take a look at legislation for the private sector, but let us get the wheels in motion for the public sector.

The parliamentary assistant gave perhaps four examples of disparity, of unequalness in jobs within individual groups. I think every example he gave—I could be corrected on this—each and every one was in the public sector; he had no examples of disparity in the private sector. I am not suggesting for a moment that some could not be pointed out, but they were certainly not pointed out by the parliamentary assistant.

If after the trial period in the public sector it was found that it was going to be necessary to bring in private sector legislation, the timing would be such that we would take a look at the

real reasons women traditionally have been paid lower wages than men.

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These situations have been pointed out many times in the past. I know I am not presenting anything new to this House when I suggest that some of the real reasons women have received lower wages are interrupted employment through their lifetimes, inadequate training in nontraditional occupations and lack of adequate child care facilities. These are recognized facts. These are some of the reasons for women accepting less challenging positions and for wage differences.

All women do not accept these less challenging positions. I would like to give three examples of which I have knowledge. I would like to begin with a woman in Cambridge who was recently written up in our local weekly paper. She was working for the municipality, for the city of Cambridge. She applied for a job and received it. She worked on the city's sewer crew. She was on the ground doing the work with the rest of the crew who were all men. She is not the type of person who will sit around complaining and say, "We need wage parity; we need wage equity." She is out there doing her thing, using her own initiative to get money that is going to help her in her position in life.

Most of us attend graduation ceremonies at our local high schools. It was quite a thrill to see a girl come up to the front when her name was called to receive the award as the top person in the auto mechanic class. This girl was going to be an automobile mechanic. She was going to work with the best of the guys and hope that she would be a good automobile mechanic. She is away from the traditional fields. When she serves her apprenticeship, she will be in a field that pays dollar for dollar for the work produced by whichever company she chooses to work for.

In the October issue of the Ontario women's directorate publication called *Currents*, there is a story about a girl who recently took on a position as a labourer for a local Toronto construction firm. She is another person who is not waiting for the world to offer her a living. She went out to look for it and accomplish it for herself.

There are women who did not have that opportunity in the past. Many women have not had that opportunity. The real failure is that women, for whatever reason, have not integrated into the full range of occupations that are available in the work place. However, to reverse that situation and have women replace men in their traditional jobs, it would take thousands of women replacing men to get a balance. This is

not going to happen overnight. It is going to take generations to do it. Just switching jobs is not an answer. That cannot be the solution. What we must recognize is that pay equity is a method of treating only the symptoms. It does not correct the market failure. Only moving into nontraditional jobs will help to solve that.

I feel that Bill 154, as it relates to the private sector, is a Band-Aid solution. It is an antibusiness approach and will contribute to the weakening of our economic, competitive, industrial base. I do not think for a moment that it will help women in the lower-paying jobs. Indeed, it could have a reverse effect on many women in industry as industry finds ways to mechanize and gets involved with systems that enable it to cut down on the total work force. I am afraid that will happen.

There is another example that has come to my attention recently. I had a call from a local shoe manufacturer with between 140 and 180 employees; it fluctuates. It is on the low end of the scale since tariffs have been removed from the shoe industry. He said, "I have a happy crew working for me." Out in the shop many of them, I think the majority, are women. He said: "They are happy. We have no problems with unions."

The member for Ottawa Centre was talking about unionized shops. Here is an organization that contributes significantly to the economy of Cambridge, as the shoe industry has done for many years along with the textile industry which is another industry that employs a lot of women in its operations. This fellow said: "If I become any less competitive, there are going to be 140 people out of work. I am having trouble now competing with Brazilian and other imports. I have a happy group of people working for me. They are producing what we require to keep our head above water. If something comes along to rock the boat, who is going to accept the responsibility?"

Everything is not going to be solved with the stroke of a pen by Bill 154. I am sure the Minister of Industry, Trade and Technology (Mr. O'Neil) and his small business advocate can get up and cite many other examples of businesses that have real concern about the implementation of this piece of legislation.

There are flaws in this legislation that should be addressed if we are going to come up with something meaningful to help those we truly want to help. First, this is a piece of legislation that basically says every employer in Ontario is guilty of discrimination, period. If you want to prove otherwise, you have to go out and hire a

lawyer or consultant and prove you are not discriminating. There are going to be people who will make money from this legislation; there is no question about it. They are the lawyers and consultants who are going to be involved in setting up the various plans that industry must set up.

It is going to be argued that it is only when there are more than 100 that they have to set up a pay equity plan. That is now. With the antibusiness approach this government takes, there is going to be a downward swing over time. I feel that for a business to have to go out and defend itself is wrong. Existing employment laws try to balance the rights and responsibilities of employers and individual employees or various groups of employees, whether they be organized or unorganized. The government is in the role of mediator and arbitrator.

If we truly believe legislation is required, it should be in the form of appropriate amendments to the Employment Standards Act, an act already in existence that can appropriately deal with problems. We already have the employment standards branch of the Ministry of Labour that must referee and arbitrate provincial employment standards. It is required to have due regard for the respective rights and responsibilities of both the employer and the employee.

It is also required to have expertise in other areas of employment laws and legislation. It is required to have good personnel management. It is familiar with the real world. A new bureaucracy that is set up will not look at that sort of legislation. The member for Oriole suggests it would be a small bureaucracy. We all know that once these bureaucracies begin, they feed on themselves until they are out of control. Our party will propose an amendment to this legislation to put the enforcement of the act in the hands of the employment standards branch of the Ministry of Labour.

We have concerns about the thresholds. We will have a chance to talk about these various thresholds as we go through the committee stage and when it comes back to the House after committee debate. Is 10 and over, 50 and over, 100 and over, and 500 and over appropriate? I do not know. They may be or they may not be. I am sure we will get advice on that from both sides. We received some advice on it this afternoon. We will receive advice from both sides when we get into the public hearings process.

1720

There are a couple of specific sections I would like to talk about and raise a concern about. One

has already been discussed, the exclusions in section 7. There are exclusions such as seniority, merit, productivity and availability of skilled labour. Frankly, I do not think that is where they should be; they should be in section 4. They should be criteria to the act. After all, if because of his initiative an individual goes out and earns and produces something for his or her employer, he or she should be entitled to extra pay for productivity, merit or whatever. Seniority should also be recognized. An employer should not have to open his books to an equity commissioner or whoever it happens to be. I hope it will be the employment standards officers. He should not have to open his books and say, "This person does have more days' service than this other person."

As well, section 7 refers to temporary skills. My colleague the member for St. George mentioned this too. What is temporary? What is permanent? In Cambridge, during the height of the recession when we had unemployment at about 23 per cent or 24 per cent, there was still a shortage of certain skills in the tool-and-die-making trades and the machinist trade. This existed when unemployment was at a high very level. Unemployment is quite respectable now in Cambridge, for which we are pleased. However, that shortage of tool and die makers goes on.

What is temporary? Is that temporary? The only way a small manufacturer or a large manufacturer is getting people to work for him is by going out and offering more money. What is going to happen if the manufacturer brings somebody in, male or female, who is a tool and die maker? That is a trade I recommend any lady go into; there is always a demand for these trades. If somebody comes into a plant, does that mean that all of a sudden the balance of the rest of the employees in the plant, be they male or female, is upset? What is temporary?

Subsection 7(4) goes on to define "casual worker" as one who works "on a regular and continuing basis." As I understand it, and I did not have time to research this fully, this is inconsistent with any other labour legislation. My understanding of the Labour Relations Act is that it defines a casual worker as someone who works fewer than 24 hours a week. Subsection 7(4) gives a definition of one third of a regular employee's time. Those are not the exact words but that is the meaning of it. It is totally inconsistent with any other form of legislation.

There is another section that should be looked at and I am sure it will be addressed during the committee stage. It is section 22 where it deals

with frivolous complaints. There is no recourse for an employer except to defend himself if the commissioner rules that it is not a frivolous complaint. He can go before the commission, pay his lawyer and perhaps pay his consultant to prove that it is a frivolous complaint, whatever it costs for a lawyer nowadays. My friend the member for Brock (Mr. Partington) will probably tell me it is not enough, but I am sure it is.

I had the opportunity of speaking to a labour lawyer recently. I asked him what it would cost in a fairly major defence, not a minor one, for this sort of legislation. He said an employer could look at something in the area of \$100,000 to defend himself.

This leads into the area of small business, which I would like to talk about specifically at this time. Small business has its own particular concerns about Bill 154. I am sure my friend and neighbour the member for Wellington South (Mr. Ferraro) will attest to that, as I am sure he has also had the opportunity to talk to many people in the small business community.

Legislation will have an inordinate effect on people in small business because they will hesitate to expand the size of their operation. They will hesitate to create any additional jobs because it might put them into another category where they may or may not have to file a plan. Small businesses normally, more often than not, do not have job descriptions for the people who are working for them. They cannot have them because the industrialist, shopkeeper or whoever is operating a small business has to be able to move his employees from one job to another. That is a concern small business will have and it is something that is going to be addressed, I am sure, as we talk to the public in the appropriate committee that will be dealing with this.

I have already mentioned the other point. There will be a potential cost to small businesses to defend themselves in the necessary court or before the necessary tribunal, that they are not discriminating against anyone in their plants.

In summary, I suggest Bill 154 is not going to help those on the lower end of the pay scale to the extent the proponents feel it will. I believe it could very well be a detriment or a hindrance to that particular individual. Potential investors will be looking at this government and at this province and will be seeing how this government is putting on layer upon layer of regulatory controls. We talk about deregulating the trucking industry and yet we are putting in more regulations now, which is more of the antibusi-

ness legislation for which this government now is extremely famous.

Mr. Ferraro: Does this mean the member will vote against the bill?

Mr. Barlow: No. I am getting to that. I feel it will definitely be a deterrent to future investment in Ontario. As a matter of fact, that member can answer the question for me as well as to whether he will be voting for or against it.

Our party is going to support this bill for second reading. I have tried to raise a few concerns I have. When we get into the committee stage, we will hear from all sides. We will hear from the proponents as well as the opponents of the legislation and we hope that whatever committee it will be before—I do not think it has been announced yet—will listen to the concerns that will be brought forward by the business community, and also by the other side.

If it is deemed necessary to have this legislation, it is up to the committee to come out with the best piece of legislation that will not make Ontario uncompetitive. We hope it will do what it is set out to do; that is, to eliminate any discrimination in the work force.

I do not really feel I have to expound on that any more. I will leave it up to the good people of Ontario who will come before the committee and explain to the committee their various wishes and concerns.

Mr. Charlton: I also rise to speak on Bill 154 and will echo the comments of my colleague the member for Ottawa Centre; that we hope the bill will pass second reading and go to hearings in committee very quickly.

I was planning to come here this afternoon and be particularly temperate and thoughtful in my comments. Over the course of the past 45 minutes, though, my temperature has risen about 15 degrees centigrade and I may blow my top at a few points during the course of my comments.

I noticed in the media the other day that the Attorney General, the mover of this bill, made comments to the media to the extent that there was a possibility of amending this bill and, on the basis of the presentations we received in the committee, he was prepared to consider some amendments.

1730

As somebody who has been through several sets of public hearings on equal pay for work of equal value, I sincerely hope the minister was being frank and honest when he made those comments. After listening to the comments of the member for Oriole, I think it is very apparent that

the members of this administration and that former member of the administration have not listened to the debate on equal pay for work of equal value in Ontario at all.

Mr. Haggerty: It is like saying assessment is based on equal value.

Mr. Charlton: That is not a bad analogy.

The comments of the member for Oriole made it extremely clear to me, probably for the first time, that this administration neither understands the concept of equal pay for work of equal value nor is even aware of the extent to which the debate on that subject has evolved in Ontario.

I listened to the member, as I have listened to the minister and others, continually make references to the Manitoba legislation and the areas in Bill 154 and Bill 155 that go beyond the present scope of the legislation in Manitoba. It simply points to the fact that they have not listened and have not discussed it with other members of their caucus, members who have also been through hearings in the province on equal pay for work of equal value. They do not understand the extent to which the debate has evolved in this province.

I am not going to apologize for the legislation in Manitoba. The province of Manitoba is the province of Manitoba. The government and the opposition parties in Manitoba will deal with legislation on the basis of the evolution of the debate in that province.

We are here to talk about the Ontario debate around equal pay for work of equal value and the evolution of that debate here in Ontario. I recall what I thought was a particularly disgusting and degrading tragedy during the hearings and clause-by-clause as far as what went on Bill 105: watching the Minister of Labour (Mr. Wrye) in this administration, time after time, day after day, have to eat his own words, words he had contributed to the debate on equal pay for work of equal value in Ontario.

As my colleague the member for Ottawa Centre has tried to point out by running through a whole lot of specific things, this piece of legislation is a large step back from the point to which the debate in this province has proceeded. It is a very large step back.

First, in Ontario we have long since come to the conclusion that equal pay for work of equal value—we came to this conclusion during public hearings on equal pay for work of equal value in January and February 1980, here in this Legislative Building, with a number of members across the way, a number of members from beside me and three members from this caucus sitting on the

committee—has to be a universal and equally available labour right in law.

The reason this administration does not understand the problem with 60 per cent and 70 per cent, with excluding this group and that group, with excluding part-timers and with excluding employers with fewer than 10 employees, is that it does not understand the concept of a labour right, a right of working people no matter who they are or for whom they work, to receive equal pay for work of equal value in the context of their employer.

Mr. D. R. Cooke: That was 1980.

Mr. Charlton: Yes, the debate has evolved considerably even since then. That was 1980, seven years ago.

Mr. D. R. Cooke: What do we not understand now? Speak.

Mr. Charlton: Just what I put out. This legislation does not provide an equal right. It provides a right that is restricted to certain people. I will get to a few other things that this legislation does as I proceed, but that is the first basic thing it does.

The former minister who spoke got me a bit upset. In her position in cabinet before she was forced to resign, she was the minister responsible for the public service, and she does not understand how the kinds of restrictions in this legislation and the kinds of restrictions in Bill 105 will cause a continuation of serious systemic discrimination in the public service of Ontario.

I think back to the days when I worked in the public service when I was a local president in the Ontario Public Service Employees Union. One of my closest associates was the president of the local at the Hamilton Psychiatric Hospital. We talk about the kinds of discrimination that have affected women in the work place and the pay they receive for the work they do, but there are also a lot of cases where the same systemic discrimination has affected men.

We know, and we all agree, that the nursing profession in the province is underpaid because it is a profession that has been dominated by women. The psychiatric hospitals have a category they call PNAs, psychiatric nursing assistants. It happens to be a category dominated by males, and always has been. The rates of pay for that job were established in the context of the nursing profession and the relationship between registered nurses and registered nursing assistants. All those male PNAs are significantly underpaid in the same way that the nursing profession and the registered nursing assistant profession are underpaid across this province.

Neither this piece of legislation nor Bill 105 as it was originally introduced will address the problems those employees face. Not only will they not address the problems those employees face, but also, because the discrimination would continue against those psychiatric nursing assistants, what then becomes the most likely category to which the medical registered nursing assistants in the psychiatric hospitals would be compared? What would be the most comparable job in a psychiatric hospital?

We have one group, registered nursing assistants, who work in the medical wards of the psychiatric hospitals. It is a group that is going to fall into the 60-per-cent-dominated-by-women category. We have another group that works in the psychiatric wards of the psychiatric hospitals, the PNAs. It is going to meet the 70-per-cent-dominated-by-males category. We are going to compare the two of them, both categories having been affected by that systemic discrimination against women's work. What is either of these pieces of legislation going to accomplish for those people? I will tell members: nothing, zero.

1740

I listened with interest and growing anxiety as the member for Oriole went through her comments, and I watched her continue the shell game that started a year ago when Bill 105 was introduced. It is a shell game with not just three shells but about eight of them, and with no pea at all. It is a game where we came out with first one piece and then another piece of legislation with this new term, "pay equity," in its title and definitions.

I listened to the member use the phrases "pay equity" and "equal pay for work of equal value" interchangeably for the first two thirds of her speech. She stopped doing that for the last third of her speech, because a couple of my colleagues kept yelling at her every time she did it. I watched her try to do that. It is no different from what the Minister of Labour has done, and it is no different from what the Attorney General is now doing with this bill.

Let us be clear as we go through this debate. If the Liberal government is not prepared to bring in equal pay for work of equal value, so be it. Let it stand and say that. However, let us stop this stupid shell game about whether this legislation provides equal pay for work of equal value, because it does not.

I recall that last fall, while Bill 105 was in committee, I started receiving letters from trade unions in Hamilton and from women's groups asking that Bill 105 be passed as speedily as

possible in order finally to achieve equal pay for work of equal value for the women in Ontario. I did not answer any of those letters; I could not. Instead, I took the time to go to talk to each of those locals and each of those women's groups that wrote to me with that kind of request.

I went through Bill 105 with them step by step to make them understand that the request in their letters was an impossible one because Bill 105 did not provide equal pay for work of equal value.

I went through with them the amendments we were going to have to make to that piece of legislation if they wanted us to be able to accomplish the bottom line in their letters, which was to achieve, finally, equal pay for work of equal value for the women of this province.

The same shell game is going on with this bill. This bill does not provide equal pay for work of equal value. Unfortunately, even if it did provide some reasonable definition of equal pay for work of equal value, it has so many kicker cop-outs in it that no matter what we gain as a result of this legislation, we have also included all the mechanisms to make it possible to lose those gains all over. It is going to be fun.

The member for Waterloo North (Mr. Epp) has been around here since 1977, I believe, or is it 1975? He came in the same year I did. I am sure he does not want to be doing this in cycles once every 15 years. That is what this piece of legislation is setting us up to do.

Members should listen to it. They should listen to subsection 7(2) of the bill.

As the member for Oriole mentioned, we are trying to put into place a proactive mechanism that, for some, in six years, is going to start increments towards pay equity, whatever pay equity is. Some women are going to make some gains—not all women, because we have excluded a whole lot of them, but some women are going to make some pay gains.

However, then we throw in subsection 7(2):

"After pay equity has been achieved in an establishment, this act does not apply so as to prevent differences in compensation between a female job class and a male job class if the employer is able to show that the difference is the result of differences in bargaining strength."

Thus, the very thing that allows this systemic discrimination in the first place will be allowed to create it yet again.

It is a copout. It is a protection and a dove to the private sector in Ontario. Even Bill 105 did not have that kind of copout in it. We did not even have to propose an amendment to protect against

something like that in Bill 105. But this is the private sector bill, this is the bill in which the government has to protect its friends in the private sector, so we have to put an almost foolproof mechanism in place which will ensure that whatever gains are made in the proactive period are lost starting the year after the proactive period ends and so-called pay equity has been put in place.

If the people across the way think there are not going to be serious efforts for significant amendments to Bill 154 after we have had the public hearings, they have not listened to the whole debate and they will not have listened to the public presentations either, because this bill is very seriously flawed.

The member for Oriole in her comments also made some references to the proactive nature of this bill and to how private members' bills that this party has put forward were not proactive. Again, I know it is unfortunate, because she has been here for only 18 months and has not been a part of the debate on equal pay for work of equal value in Ontario, but I have to correct the member for Oriole.

I stood in my place in this House in October or November 1980 as the mover of a bill to create economic equality for women in Ontario. That bill included a whole range of things: affirmative action, sections dealing with sexual harassment and a whole major section on equal pay for work of equal value. That bill also set out a whole range of proactive mechanisms—they were not identical to the proactive mechanisms in this bill—to force the implementation of the other principal items that were set out in the bill.

It is not this government that has dreamed up the proactive approach. As a matter of fact, I would think, judging from all the mechanisms that have been built into this piece of legislation, that the government chose to take the proactive route to try to cover up the failures in terms of the major principle here, and the failures in terms of mechanisms to maintain the principle as a basic labour right in Ontario in the long run.

On the question of coverage, I will not go through all the things my colleague the member for Ottawa Centre raised, but I have some serious concerns about the question of coverage that specifically relate to the small business sector and to those business establishments in Ontario with fewer than 10 employees. That is the one sector in Ontario where the largest problem in discrimination in pay exists. It exists both for full-time and part-time employees in that sector.

To create a piece of legislation that is supposed to provide pay equity—never mind equal pay for work of equal value; those words mean something—and to exclude those who are the most defenceless and who are faced with the greatest discrimination in the working world in terms of pay is to say that we are not prepared to deal with the problem of equal pay for work of equal value.

1750

They are prepared to deal with something called pay equity with the larger employers in Ontario over a long phasing-in period so that they can hide the impact on them. They have built in enough loopholes so that there will not be any impact on those larger employers. To exclude the most vulnerable groups right at the bottom is totally inexcusable.

We have a situation with Bill 154 where we have time lines that are different for different people. We all know that as employers decline in size, for the most part, unless they have a damned strong union, the rates of pay with those employers are lower than with the comparable larger employer.

What is it that can in any way be called equity when we set out an implementation time line that is like Ontario Hydro rates? Ontario Hydro gives the lowest rates, as we all well know and as the member for Grey-Bruce (Mr. Sargent) has debated in this Legislature on so many occasions, to electrical users who use the most electricity or who use electricity the most inefficiently. For those who go out of their way to spend money on efficiency, Ontario Hydro slaps them with the highest rate because they are the smallest and most vulnerable. The large, inefficient industrial users get the low rate and the small home owners pay the highest rate.

We have a clear analogy here. We have a situation where for those whom this legislation was designed to protect the most and provide the most benefit, we have turned around and set out the longest implementation times. We have excluded from the legislation the weakest of all, those who work in small business and very small industry in job sites and job locations for employers with fewer than 10 employees. We have not only excluded the very weakest altogether, but we have also scaled down everything else so that the next weakest above them gets the least help over the longest time, and so on up the scale to those who already happen to be the strongest who get the most help up front.

Mr. D. R. Cooke: Are you voting against the bill?

Mr. Charlton: No; but I am going to go into committee and amend the hell out of it.

This kind of approach has been debated in this province for 15 years, going on 20 years now, and is just not acceptable. This kind of huge step backwards is not acceptable. If the members across the way would take the time not only to read the debates that have gone on in the past in this place but also to read the positions that have been taken by members of this cabinet such as the Minister of Labour and understand the size of the step we are taking backwards here, they might better appreciate what members of this party and, perhaps, members of the Conservative Party will be about when, after the hearings, we start to move some of the amendments.

I go back to some of the comments where I started out. I am not here in this Legislature to create different classes of working people in Ontario. I am here to try to tear down some of the discriminatory classes that have been built up over time; not to create new discriminatory classes but to try to provide universal labour rights that are equally and fairly available to all the working people in Ontario, rights that will become enshrined as a part of the ongoing economic nature of Ontario, and not rights into which we have built the mechanism for their eventual self-destruction.

I am for providing, as the member for Oriole suggested, a model piece of legislation for the

rest of the provinces in Canada, for providing the leadership and not for providing the way out of the place we had reached in the debate in Ontario. I thank God that the Liberals at least chose to use the Manitoba government's model and to take a couple of steps forward from that, so they could claim, "We have done better," because, God, if they had taken the example of any other provincial Liberal administration in Canada, we would have no legislation at all.

The Acting Speaker (Mr. Morin): Are there any questions or comments? Is there any further debate? Are there no further debates?

Mr. Harris: I want to speak on this debate. We thought it was six of the clock and that it would be appropriate for—

Mr. Epp: No.

Mr. Harris: If it is not six o'clock, then fine, I will be glad to speak on it.

What number is the bill again?

The Acting Speaker: Bill 154.

Mr. Harris: I have fairly extensive remarks, Mr. Speaker. I draw your attention to the clock and move the adjournment of the debate.

On motion by Mr. Harris, the debate was adjourned.

The House adjourned at 5:59 p.m.

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O'Connor, T. P. (Oakville PC)
Peterson, Hon. D. R., Premier and President of the Council, Minister of Intergovernmental Affairs and Minister of Northern Development and Mines (London Centre L)
Pope, A. W. (Cochrane South PC)
Pouliot, G. (Lake Nipigon NDP)
Rae, R. K. (York South NDP)
Reville, D. (Riverdale NDP)
Rowe, W. E. (Simcoe Centre PC)
Shymko, Y. R. (High Park-Swansea PC)
Stevenson, K. R. (Durham-York PC)
Swart, M. L. (Welland-Thorold NDP)
Sweeney, Hon. J., Minister of Community and Social Services (Kitchener-Wilmot L)
Treleaven, R. L., Deputy Speaker and Chairman of the Committees of the Whole House (Oxford PC)
Ward, C. C. (Wentworth North L)



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LEGISLATIVE ASSEMBLY OF ONTARIO

Thursday, January 29, 1987

The House met at 10 a.m.

Prayers.

ORDERS OF THE DAY

PRIVATE MEMBERS' PUBLIC BUSINESS

AUTO PACT

Mr. Grossman moved resolution 41:

That, recognizing the unique importance of the automobile industry to the economic future of Ontario and Canada, particularly to the one in seven Ontario manufacturing workers and the 250,000 Canadians who depend on the industry for employment and to the 41 Ontario communities in which the industry constitutes a major part of their economic base, and recognizing the vital role which the Canada-United States automotive agreement (auto pact) has had in fostering employment growth and capital investment in the Canadian automobile industry, this House is of the opinion that the auto pact should not be amended as a result of the present trade negotiations between the government of Canada and the United States, that action should be taken to ensure that the United States does not exercise its option to terminate the auto pact, that all foreign automobile manufacturers building plants in Ontario should be urged to attain auto pact status, and that the government of Ontario should ensure that appropriate skills training and fair trade policies are in place to support the continued growth and viability of the automobile industry in the province.

Mr. Speaker: The honourable member has up to 20 minutes for his presentation and he may reserve any portion of that for the windup.

Hon. Mr. Conway: Be careful, Larry. I think there is a foreign object over there.

Mr. Grossman: No; they are all in Washington.

We have an opportunity this morning to show a degree of dedication and commitment in this assembly and also to show that commitment with a degree of restraint and diplomacy, given that these issues require all those skills to ensure the best interests of Canadians and Ontarians are served.

The issue before us is of vital importance. The Premier (Mr. Peterson), just returning from

Washington, can confirm there is no doubt that protectionist sentiments in the United States represent a genuine and major threat to many of our sectors, including the auto sector. Our trading arrangements right across the board are under scrutiny in the US. I thought it was interesting yesterday to listen to the Premier reflect upon the reality that the Americans are contemplating action, even in those sectors where the Americans acknowledge we are not doing anything that is unfair or we are not unduly subsidizing our goods. That sends an important message out.

I hope this morning we might use this opportunity to obtain unanimous agreement to the resolution before this House and thus send a message, both a symbolic one and a substantive one, because I believe both are essential at this time. I hope too that the next 50 minutes or so might be used in a constructive way to ensure that what we are all about in this House is protecting the automotive sector, not turning this into a domestic Ontario political football. Nothing would go further to cause the Americans to give that termination notice than a game of political football instigated here in Ontario over the auto pact and posturing over the auto pact.

Instead, what this province and its auto workers need today is a genuine coming together of all its legislators, national and provincial, of all three political parties, with one solid, clear voice. That is a voice that says the auto pact should not be renegotiated. We all stand as one on those issues.

We should send a message to the other provinces that Ontario is not selfishly protecting only its own position but rather is seeking to build with them a common front or a common position. That message is important because, and again I refer to the Premier's trip to Washington, it is clear that US protectionism is not being targeted at Ontario. The softwood lumber tariff was targeted mainly at another province, but Ontario was caught in on that. We will comment on that at another time.

The reality is that US protectionism is being pointed towards any Canadian industry, regardless of province, from softwood to steel and maybe to autos. In each different situation, the

economic base of yet another province may be threatened. Ontario's position on the auto pact is surely not our province versus anyone else's but rather Ontario within the rest of Canada.

Apart from the symbolic message that we might send out this morning in a sense that I hope is nonpartisan, apart from the symbolic message that says we all stand together, politics notwithstanding, I hope we also send a message that we all stand together, province notwithstanding. Also, apart from that symbolic message, I hope this resolution has an important substantive content.

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The fact is that over and above the ongoing trade negotiations, auto trade between Canada and the US is coming under severe scrutiny in some US circles. I emphasize this for members of the House and the public because it is a very key point. Whether or not there were freer trade discussions going on in Ottawa and Washington, scrutiny would be given to the auto pact in the US. It has nothing whatever to do with the freer trade talks. The freer trade talks give a logical platform for those who want to put it forward, but the essential point is that the trading arrangements would be under scrutiny no matter what discussions were under way.

For example, the state of Michigan has a case before the US Trade Representative urging the application of countervailing duties on certain imports in this sector in Canada. Influential members of the Senate, both Republicans and Democrats, are known to press for exactly this kind of protectionist action. Senator Danforth, a Republican from Missouri—my friends might be surprised to realize that Missouri is now the second largest auto manufacturing state in the US—could well be joined by Senator Riegle, a Democrat from Michigan, in promoting these countervail provisions. In substantive terms, we must address these concerns which are obviously being looked at by the elected representatives from the two largest auto manufacturing states.

The resolution before the House makes two main points. First, it states that in the opinion of this House, the federal government should make every effort to ensure that the existing provisions of the auto pact, as they affect North American producers, remain in effect. Second, it calls upon the governments of Canada and the US to begin working on a set of mutually acceptable rules that apply to third-country manufacturers who produce and sell their cars in Canada and the US.

It is one thing to express general support for the auto pact, as we all do in and outside this

House; it is another to recognize the real issues and threats and take the appropriate action to avert a potential problem.

It is my strong view that much of the overt US pressure for countervail could be eliminated if the main cause for such demand, namely, the uncertain status of third-country auto manufacturers, could be dealt with. This is the reason I propose that some way be found to bring these third-country auto manufacturers under the provisions of the auto pact.

In a sense, the contested status of third-country manufacturers, whose share of production and sales is rapidly rising in both countries, is the major substantive issue underlying the current concerns about the auto pact. Surely, by developing some mutually agreed upon rules for this segment, we could complete the unfinished business of the auto pact.

All aspects of bilateral trade arrangements between the Americans and ourselves are obviously becoming subject to increasing protectionist sentiment. Protection or maintenance of the auto pact in this environment—perhaps “protection” is not the right word—must be taken seriously.

Let us pause to look at what has happened. Canada now has a large surplus under the auto pact, but that has not historically been the case. It has rarely been the case during the term of the auto pact that Canada has had a surplus; it has been the exception by far, not the rule.

The historic US surplus and the historic Canadian deficit under the pact have been reversed and several other factors have come into play. First, it has been reversed because it has become far more cost-effective and cost-efficient to produce cars in Canada. Our lower dollar, wage rates and other factors have simply made it more profitable to produce cars here, and our people should be proud of that.

Second is Japanese investment. With only 10 per cent of the North American auto market, Canada now has 30 per cent of all new Japanese auto investment in North America, much of it with government assistance.

Third, all that Japanese investment has largely been left free of the constraints of the auto pact, unlike the American companies. In reviewing this, we cannot further ignore that formerly we had a more united auto workers' union fighting together to protect jobs, regardless of the border, on both sides of that border. Of course, that unity now has been somewhat fractured by the division in the union and the separating off of the Canadian auto workers.

Finally, General Motors has closed 11 plants now in the US, and American employment is down dramatically, although, happily, Canada has not seen any closures and auto employment is up.

Against this backdrop, the manner in which we defend our position is extremely important. It calls for extreme diplomacy and skill on the part of Canadian politicians. I urge the members of the House that our current Canadian surplus, our jobs, our new Japanese investments must not be waved as red flags in front of 10,000 newly unemployed American auto workers or their congressmen.

As we begin this debate this morning, I urge the members of this House, including members of the cabinet and the leader of the government, not to forget this, as they have recently when talking about the auto pact. I urge this upon them. Careless statements on anyone's part could easily drive embarrassed politicians and their unemployed constituents south of the border, the unions and the suppliers south of the border, into taking action, however symbolic, to terminate the pact.

As I said earlier, the history of the pact has produced far more deficits for Canada than for the Americans but, throughout, we have believed that in the long term we benefited on both sides of the border. We could not panic in earlier years. Canada did not seek to terminate the pact. Its constancy and predictability helped our joint industries to grow, survive and thrive. Now, when the situation has been reversed, Americans should be equally encouraged to show constancy in these years when they have the deficit that we showed in the years when we carried the deficit.

I believe, if the flames are not fanned by political rhetoric and are not fanned by sabre rattling on our side of the border, the Americans will continue to recognize the mutual benefits of the pact. I believe what we need to do now as Canadian and Ontario legislators here this morning is to say, I hope unanimously, that pacts, if they are to mean anything, must hold throughout the swings of balance for the long-term benefit of both parties.

The resolution before this House will send that precise message and will recognize the need to deal with the very contentious problems before us and between us. I urge, therefore, the unanimous support of this resolution, to send a moderate, thoughtful, nonpartisan message of constancy, predictability and common sense to our American friends and neighbours in what has been a very successful pact.

The Deputy Speaker: Does the member wish to reserve his seven minutes for reply?

Mr. Grossman: Yes.

Mr. D. S. Cooke: It is a pleasure to join in this debate. We used to have a lot more discussion in the Legislature a few years ago on the auto industry than we have had in recent years. Coming, as I do, from a community such as Windsor, it is safe to say that nothing has caused more anxiety in our community than the recent discussions and publications of what the plans may or may not be at the free trade bargaining table with respect to the auto pact and the auto industry.

It is not so many years ago that we were in the midst of a very serious depression in the auto industry. Since that time, Windsor, Oshawa, Oakville and other auto-based communities have not fully recovered. There has never been a full recovery from that auto depression. Chrysler Corp. and other companies are working at full capacity now, but members of the Legislature may not be aware that Chrysler used to have 14,000 employees and now, after the recession and the remodelling of some of its plants and the large amount of mechanization and automation, we are talking 9,000 jobs, a decrease of more than one third of their employment as a result of automation.

There are people who are still very much hurting as a result of the restructuring of the auto industry.

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One reads in the paper that Mr. Reisman, on the one hand, says the auto pact will not be on the bargaining table and that Mr. Murphy, on the other hand, says the auto pact will be on the negotiating table. Then Mr. Mulroney, the Prime Minister, says, "The auto industry may be on the bargaining table, but if it is on the bargaining table, we will accept only changes to the auto pact that will improve the auto pact." We cannot accept that, because the reality is that anybody in his right mind understands the Americans are not going to allow amendments to the auto pact that will further increase the current surplus in trade which exists between the two countries. That is just not in the realm of possibilities in the current circumstances in US-Canadian trade.

The only possible alternative is to say clearly that Canada has no intention of renegotiating the auto pact, of having the auto industry on the bargaining table, and that it has a totally different approach to trade discussions, such as has been put forward by both my leader in the provincial

Legislature and my leader in the House of Commons, Mr. Broadbent.

The Americans and Canadians should have a better understanding of some of the inequities that exist in the United States and Canadian auto industries. It is not all a matter of trade, the final figures and what is counted under the auto pact that Americans and our Prime Minister should be aware of. The reality is that inequities exist, and those inequities are primarily suffered not by Americans but by Canadians.

If one looks at the dependence we in this country have on assembly as opposed to production of parts, one knows that assembly of cars has much less in terms of value added than does the actual production of parts. If one wants to look at research and development, the auto industry does virtually no research and development in Canada, then that alone in the early 1980s was worth \$250 million that the Big Three were charged by their parent corporations, and that money was transferred to the American head offices for research and development.

That \$250 million does not show up in the auto pact figures, because it is not part of the auto pact. None of the management jobs is counted under the auto pact, and the vast majority of those jobs are at the head offices in the United States. That does not show up in the balance figures under the auto pact because it is not counted by the auto pact.

If one wants to take a look at the number of skilled trade jobs in Canada as a percentage of the total jobs in the auto industry compared with the number of skilled trade jobs in the auto industry in the United States, one will see again that there is a great imbalance, that the Americans have a much higher percentage of skilled trade workers, again because of our dependence on assembly rather than on some of the highly skilled jobs that exist in the auto parts industry.

Our auto parts industry has been allowed to deteriorate over the years, and it has primarily deteriorated because the Big Three have never purchased in Canada the amount of auto parts to put into their automobiles as they have in the United States.

At some point, the provincial government has to get its act together. I do not think a clear statement at all has been coming from this government, from the Premier or the Minister of Industry, Trade and Technology (Mr. O'Neil) on what the government's position is, not only with regard to the auto industry and the auto pact as it comes under the free trade discussions but also

with regard to the overall package of the free trade discussions.

If anyone had an idea of where the Ontario government stood, he was absolutely and totally confused as a result of the Premier's discussions and answers to questions from my leader in yesterday's question period. I do not think it is fair that the employees of the major industry in this province should be put through the anxieties they are being put through by the federal Conservative government. Those anxieties have been increased by the lack of a defence of the auto industry by the Premier.

The fact that this resolution has had to come from the opposition rather than from the government itself is an indication of a lack of leadership by the provincial government to protect the main industry that this province is dependent on and that many communities are absolutely and totally dependent on.

We are talking about whether the surplus that currently exists under the auto pact is a result of current circumstances in the auto industry or of structural inequities that exist in the auto industry as it relates to both countries. I think it is clear it is not a matter of the structural problems in the auto industry, because the only country that has severe structural problems in the auto industry is our country. It is a result of several factors. It just so happens that some of the vehicles we are now producing in Ontario are very popular vehicles. Whether it is the van wagon at Chrysler in my home community or some of the other automobiles being produced, these have turned out to be very popular, have sold well and have created surpluses.

Also, the Canadian dollar, as mentioned by the Leader of the Opposition (Mr. Grossman), has meant that our production is very much cheaper or more efficient than American or Japanese production. One of the other factors that makes it less expensive to produce in Ontario than it does in the United States is our health insurance plan, which accounts for a sizeable amount of money on an hourly basis in the United States as opposed to the cost for the manufacturers here.

In the last few minutes before my time expires, I want to point out a couple of things I think this government could and should do. It is time we had a Premier who was willing to defend the major industry to the same extent that Premiers such as those of Alberta and Newfoundland defend their major industries. We have never had that.

Frankly, the Leader of the Opposition should understand that the only time we got any

resolution from a government, an all-party resolution, was about a year and a half ago. Right after the 1981 election, I proposed to Premier Davis that this Legislature should put forward an all-party resolution demanding that the report of the federal auto task force chaired by Mr. White and Mr. Lavelle be implemented at the federal level. Mr. Davis's reaction was that it need not be done. It was eventually done, about four years too late, but only after the Conservatives were in opposition. At that time, the government was so arrogant it would not even agree to an all-party resolution.

We should be pushing for an auto industry plan, which is certainly the basis of the White-Lavelle report. That kind of plan is still as relevant today as it was when it was produced and published. We have been put in the awkward position of simply having to defend the status quo instead of trying to build on the basic industry we have.

I have other recommendations, but my time has expired. I appreciate the resolution being put forward, and this caucus will be supporting it.

Mr. Ferraro: We have before us a resolution that seeks to obtain unanimous agreement, which I see forthcoming, from all members of this House on the importance of the automotive industry to this province and to Canada and of the importance of maintaining the auto pact in its present form.

Initially, I was concerned about what specific approach the Leader of the Opposition was going to take. I am proud to say I am pleased with the conciliatory and calm suggestion that we should be unanimous in this respect. I am delighted that is the approach he has taken. I should add that original press releases coming from the Leader of the Opposition were not quite so calm or nonpartisan.

I am not upset or surprised, but sad, that the member for Windsor-Riverside (Mr. D. S. Cooke), speaking for the third party, detracted to some degree from the calmness and had to take some political shots, specifically at the Premier and the government.

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Mr. D. S. Cooke: Well deserved.

Mr. Ferraro: The third party is the first one to stand up and say: "You did not do anything. You did not go anywhere to defend Ontario." When the Premier and the minister, whoever he may be, defends this province, its obvious position is, "When you went down there, you did not do anything." It is almost hypocrisy to the nth degree, but I do not want to get into that.

I want to get to the real intent of the motion proposed by the Leader of the Opposition, and I am delighted to speak in that regard. Suffice it to say the government of Ontario agrees with the basic intent of the resolution. This government is fully aware of the importance of maintaining a competitive automotive industry in Ontario. We are fully aware of the crucial role the auto pact plays in establishing a framework for companies engaged in this industry.

I believe everyone in this House is familiar with the strategic role the automotive industry plays in the Ontario economy. It has been alluded to and I am sure will continue to be by many members of this House, including the Leader of the Opposition. At present, there are in excess of 120,000 Ontarians employed directly in this industry. The automotive industry has a significant direct impact on the economic and social health of over 40 Ontario communities.

The automotive industry also provides significant markets, both domestic and foreign, for Canadian materials, auto parts, production equipment and related goods and services. Indeed, the auto pact helped transform Canada's automotive industry from a small, inefficient, high-cost producer that served only the Canadian market into a modern, strong, efficient part of the North American and world auto industry.

There is no disputing the facts of what the auto pact has meant to Ontario since it was introduced in 1964. Employment in the automotive industry in Canada, dealing with motor vehicles and parts specifically, is up by 88 per cent from an employment in 1964 of 69,000 to an employment of approximately 130,000 in 1985. I might add that Ontario currently has 85 per cent of those jobs. In comparison, growth in total manufacturing in that period is up by only a modest 36 per cent; in 1964, to be more precise, there were roughly 1,492,000 employees, while in 1985 there were 2,033,000. Canada as a whole has seen a 187 per cent increase in vehicle production since 1964 and, even more amazing, a growth of 2,800 per cent in the manufacturing of parts.

The pact has been good for both Canada and the United States. Exports of vehicles and parts to the US have increased by 400 times the 1964 total of \$80 million to \$33 billion in 1985. Our imports from the US, vehicles and parts in total, increased 38 times the size in that period, to \$27.6 billion.

There are also less tangible gains for Ontario, ones that do not always show up on a balance sheet. Announcements such as the recent one at GM in Oshawa are proof that we are also gaining

through the introduction of new technology to our industries. There is no doubt that we are in the midst of a technological revolution for many of our industries, and I am not just talking about the automotive ones. The message is clear. We have heard it before. Adapt or disappear. The automotive industry is highly competitive because it is one of those industries that must, for survival, keep up to date with the latest innovations. Ontario benefits from the newest in technological processes, materials and products.

One other interesting note: despite what many people think, Canadians have also seen benefits in their wallets. Before the pact, Canada's car prices were between 10 per cent and 30 per cent above the comparable US prices. Currently, once the rate of exchange is considered and before taxes, which is a very important point, Canadian prices are actually three per cent to eight per cent below US vehicle prices.

Let us not kid ourselves. The auto pact has also had its downside for Ontario and Canada. We have seen a reduction in research and development and engineering activity in that industry in Canada. Let us be honest. The vehicle assembly industry in Canada is still 100 per cent foreign-owned. It is only in the parts industry that there is substantial and growing Canadian ownership.

None of that detracts from this government's basic stand. The auto pact works. It is good for both countries. It should not be subject to open negotiation in any free trade talks. This government and this minister have been consistent in that regard, notwithstanding the remarks from some members of the New Democratic Party.

The auto pact works for several reasons. Most notably, it is an agreement that is good for both countries. It is good for companies in both Canada and the United States. It works because vehicle and parts manufacturing companies in Canada agreed to the safeguards that were established in the agreement.

Vehicle and parts industry companies agreed to achieve safeguards because, by doing so, these companies were able to trade goods between Canada and the United States duty-free. This duty-free trade was and still is of significant benefit to the companies. As the North American market becomes more competitive, this duty-free trade will remain a significant benefit. Without this commitment on the part of predominantly US-owned vehicle and parts manufacturing companies, the auto pact would not have worked. We must not lose sight of this crucial fact.

In the resolution that is currently before us, we are advocating that the auto pact should not be amended as a result of the present trade negotiations between Canada and the United States. For the past 12 months, the government of Ontario has been continually urging the Canadian federal government not to permit the auto pact to be discussed during these free trade negotiations.

While we have received numerous assurances, both public and private, that the auto pact will not be on the table, the Ontario government will not feel secure until Canada has received a commitment from the US government that the pact will not be changed. The auto pact can be changed in several ways, and we must ensure that none of these occurs.

If the tariffs on automotive products traded between Canada and the United States are removed, then the auto pact is destroyed. There is no incentive for a company to meet the safeguards and there is no penalty for a company that does not meet them. The tariffs must not be removed.

The safeguards must not be changed unless a change will bring additional benefits to Canada and the United States. At present, the auto pact safeguards and the additional commitments made by the US vehicle manufacturers are, in essence, Canada's automotive policy. When one considers the massive transformations that are occurring in this industry, particularly because of the major foreign investments being made by Asian vehicle and parts manufacturers in North America, one very quickly realizes that Canada should not go through this period of change without an automotive policy.

Now is not the time to change the safeguards, especially when we consider how well the auto pact has worked during the 22-year period, particularly during the past few years. Basically, the major strength lies in the commitment of both countries to ensuring the continued existence of the auto pact.

I might add that article 4 of the auto pact provides a framework for both countries to discuss issues and concerns that may arise respecting each country's automotive industry. It is because of the existence of this framework that the government of Ontario has repeatedly stated that the auto pact should not be discussed during the free trade negotiations.

It is the policy of the Ontario government that all foreign vehicle manufacturers that sell a significant number of vehicles in Canada should make appropriate contributions as defined by the

auto pact. In addition, the vehicle manufacturers that establish motor vehicle assembly plants in Canada should be members of the auto pact. The announcement of the Suzuki plant indicates that Suzuki officials intend to reach auto pact status within two years. We have similar commitments from Toyota.

In conclusion, the Ontario government is adamant and in total concert with the intent of this resolution. We realize the significance of the auto pact to Ontario and to Canada. As a party and a government, we wholeheartedly endorse that the Leader of the Opposition has brought this before the House.

Mr. Partington: I am pleased this morning to speak in support of this motion put forward by my leader and to indicate my strong support for the automotive products trade agreement of 1965 or, as it is known to most people, the auto pact. A thriving automobile industry is vital to the economic wellbeing of Ontario and Canada.

As we are all aware, the automotive industry is Canada's largest manufacturing industry. In fact, Canada is the seventh-largest producer of cars and trucks in the world. More important to this debate, 95 per cent of this country's automotive manufacturing is concentrated in Ontario. In the Ontario work force, one person out of seven is employed in the automotive sector or in an industry related to it.

From these statistics alone, it is easy to see just how important the automobile industry is to the province-wide economy; but we must not lose sight of the importance, and in many instances the critical role, that the auto industry has in the economy of many of our municipalities.

1040

For example, it is estimated that 41 municipalities in this province depend upon auto-related industries for their economic wellbeing. More than 50 per cent of Windsor's manufacturing work force is employed in the auto industry. In Oshawa, the figure is more than 80 per cent. It is not difficult to imagine what effect a downturn in Canada's automotive industry would have on these two communities.

Oshawa and Windsor are not the only communities that would suffer under such an eventuality. Most people know there are two large GM plants in St. Catharines; in fact, in St. Catharines, GM has the largest metal casting plant in Canada. Many members may not be aware of how much the Niagara region relies on the automotive sector for its economic wellbeing. While we are famous for our wine industry and fruit growing, the fact remains that, along with

the GM plants, there are 30 auto parts manufacturers and 267 automotive-related metal fabricating and machine shops in the Niagara region, including such well-known corporations as TRW, Hayes-Dana and Court Industries. Together, these many manufacturers employ more than 26,000 workers.

Overall, these automotive and auto-related jobs represent more than half—56 per cent, to be precise—of all the manufacturing jobs currently located in the St. Catharines-Niagara area. Any downturn in automotive production would obviously lead to serious repercussions for this area of our province. One event which could trigger such a downturn would be a change to the current US-Canada auto pact brought about during the course of the freer trade negotiations currently taking place.

The existence of the auto pact since 1965 has played a critical role in the development of Ontario's auto industry. For example, in 1964, the year before the agreement was signed, GM of Canada produced only 290,000 vehicles and employed fewer than 25,000 people. Two years ago, the latest year for which comprehensive statistics are available, GM built more than 840,000 automobiles, 75 per cent of which were exported to the US. Employment by the company is now at an all-time high of 50,000. Roughly 20 per cent of those jobs are located in St. Catharines, where GM last year invested \$225 million. As Ron Migus, the manager of the St. Catharines GM plant, points out:

"Once the auto pact came into effect, we began to rationalize our product lines. That meant we produced more starting motors, for example, and used some at home and shipped the balance across to the US. The effect was that we had more volume, the unit cost dropped and we were more competitive. Since that time, we have just grown on and on."

There is no denying that the auto pact has played a fundamental role in the development and expansion of our automotive-based industries. It is because of the auto pact that 56 per cent of all auto parts produced in Canada are exported to the US. The fact remains, however, that this 56 per cent represents only six per cent of the parts used in the US car assembly. Without the protection of the auto pact, idle and underutilized plants in the US could easily absorb Canada's total production.

The end of the auto pact would not only devastate the Niagara region's auto industry but would also send shock waves to our provincial and national economies.

So far, I have confined my remarks solely to the direct role played by the automotive industry in our economy and the impact the auto pact has on that sector. We cannot forget, however, the importance of the auto industry vis-à-vis many of our industries.

For example, in 1985, it is estimated that our automotive sector consumed 37 per cent of all iron foundry production, 17 per cent of the rubber products, 15 per cent of the machine shop products, 14 per cent of processed aluminum, 13 per cent of wire goods, 8.5 per cent of carpeting and fabrics and eight per cent of the glass products produced in Canada. Of course, it is a tremendous user of high technology.

The Canadian automotive industry is the final destination of more than 20 per cent of all domestic steel shipments, representing more than 10,000 jobs in the Canadian steel industry. It is not hard to imagine how important a healthy automotive industry is to these manufacturers or to imagine the disastrous effect that a decline in our automotive production, brought about by changes to the auto pact, would have on these associated industries. The livelihood of the one out of every seven Canadians who depend directly or indirectly on the automotive industry for their jobs would be placed in jeopardy.

In conclusion, it is clear that the auto pact has played a critical role in the development of our automotive industry. This expansion in the auto sector has in turn fostered growth in many of our other industries. In short, the auto pact means jobs for communities such as St. Catharines, Oakville and Oshawa. The continued economic wellbeing of Ontario and its residents rests on maintaining the auto pact.

As members of the Ontario Legislature, we must take every available step to ensure that the auto pact is not amended or terminated as a result of the present trade negotiations between the governments of Canada and the US. For the sake of the workers and communities that would bear the brunt of an end to the auto pact, I urge members to support this resolution and thereby send a clear message that we are united in the support of our automotive industry. The economic future of Ontario depends on our efforts.

Mr. Morin-Strom: I am very pleased to be able to speak on behalf of our party on this resolution. It is an important resolution, one that I am sure will get unanimous support because in effect it is a motherhood resolution for the citizens of Ontario.

We have to look at the auto industry, at the jobs that are dependent upon the auto industry

and at the importance of the auto industry to the whole economy of Ontario. The current strength of the economy in southern Ontario is heavily dependent on the levels of auto production and the levels of auto exports to the United States. Today we enjoy a considerable surplus because of the competitive position and the modern facilities we have in our automotive industry.

It is unfortunate that we even have to have a resolution of this type in this Legislature. It is unfortunate that the auto pact is a subject of discussion in the trade negotiations with the US. There is really no need for that to have happened.

The initiative of the federal Progressive Conservative government to put everything on the table in trying to pursue a comprehensive free trade agreement has been a disastrous one for Canada, one that has resulted in concession after concession affecting a number of industries in our country. Rather than taking the bull by the horns and focusing on those trade irritants that were the problem, we have opened up a complete new can of worms. We have opened up discussions on a wide area of concerns that were not previously concerns of the American administration.

The focus on US-Canada trade has been heightened as a result of the federal government's initiative, and we have put the focus on many areas that were not previously the subject of discussion. Prime among those is the automotive industry.

There was no suggestion that the auto pact required revision or that we needed any changes in the way the auto industry was being handled on a bilateral basis between the US and Canada. There were concerns about the heavy importation of automotive products from Japan and other importing nations into both Canada and the US, but it is only as a result of the opening up of and the focusing of discussions on the Canada-US trade relationship that the auto industry has become subject to potential disruption in Canada if, in fact, the auto pact were abrogated by the US.

1050

The auto industry is vitally important to Ontario. I have a few statistics here. New capital expenditures in the automotive sector during the 1980s have averaged close to \$800 million per year, leading all manufacturing sectors. In 1986, more than \$4 billion in new investments have been announced by North American auto makers. North American auto makers in Canada in 1984 exceeded their production requirements

under the auto pact by 70 per cent and their Canadian value added by more than 20 per cent.

Some have used the argument that the auto pact will not be necessary in the future because we are exceeding those targets by such a great extent today. We are in a strong competitive position in the auto industry today, largely as a result of the exchange rate and the investment that companies have put into modern facilities. There is a labour cost advantage in Canada because of the devaluation of the Canadian dollar, but historically, over the complete term of the auto agreement, the current surplus has not held up. In the longer term, we are roughly in balance in the automotive trade between the two countries.

We have to look at the auto agreement as ensuring the long-term future of that industry. We cannot be assured that we will maintain a strong competitive position in the longer run. We do not know what the exchange rate might be five years from now or whether the auto industry will continue to modernize and develop new plants in Canada. The auto pact gives us some assurances that we will get a fair share of that investment and that Canada will have a fair share of North American auto production.

One of the aspects of this motion I particularly want to support is the suggestion that all foreign automobile manufacturers building plants in Ontario should be urged to attain auto pact status. I hope it will even go beyond that, and we ask all major importers to attain auto pact status so that we have assurances that the major sellers into Canada are producing cars in Canada and that we get a fair share of the production in proportion to the numbers of cars sold in our economy by those major producers.

In terms of actions on the importers, though, we have to be concerned about the types of auto plants that are being introduced here. The evidence is that the Toyota, Honda and Hyundai plants that are coming in are not integrated manufacturing plants but rather assembly operations. I believe they are called completely-knocked-down plants in the industry.

All the sophisticated work and most of the jobs that go into the production of those cars go into the components and major subassemblies that are produced in the home countries, primarily Japan or South Korea. Then they are sent to Canada and the final assembly is completed here. In terms of numbers of jobs, my understanding is that typically less than 20 per cent of the jobs are provided in those plants compared with what would be provided in major US-owned plants

such as the ones in Oshawa, Windsor and St. Catharines.

We have to ensure that we get a fairer share of the jobs in the production of those automobiles from the foreign suppliers than we are currently being assured of by the plants that are being installed here. We have to focus on that issue.

I want to express as well some major concerns about the provincial government's position. The Premier has been very wishy-washy in his approach to the auto pact. He claims to be a defender of the auto pact but he has never taken any tangible action to protect Ontario's interests in dealing with either our federal government or with the American government.

Yesterday, we heard him say that he supported the Prime Minister's initiative when he was in Washington; however, he did not understand what the initiative was. It is time that all three parties recognize what the free trade agreement is that is being pursued and stand up to protect Ontario's interests, to protect the interests of the automobile industry and the workers in this province in general by taking a strong stand and by ensuring that the auto pact and our other industries are not subject to loss in these negotiations.

Mr. Grossman: I listened with interest to the comments of the members who have spoken in this debate and I agreed with many of the comments. The member for Sault Ste. Marie (Mr. Morin-Strom) has identified the reality that the terms of trade do change between the countries over periods of years, and that is the point I was winding up with. If a pact means anything it means that the two parties, the Americans and Canadians, stand together regardless of how the winds shift from year to year, because constancy and predictability mean a lot.

I want to say to the member for Wellington South (Mr. Ferraro) that I appreciated his comments about the nonpolitical nature of the exercise this morning. I want to say that we reserve the right to criticize the handling of this issue over time. Indeed, in his remarks, the member for Windsor-Riverside criticized my own party from years back for certain actions on this. We are all free to do that and I think we must.

What disturbs me is that we have an opportunity this morning to express the unanimity of this House, not for political posturing and not for rhetoric, but to give the vote of constancy that says the auto pact and the employment of auto workers in this province are more important than political posturing. Quietly this morning, we

meet, three parties in this assembly, to do just that.

I say with all respect that I was more than a little disappointed to see that for most of this debate two, and on one occasion three, of 51 members of the Liberal Party of Ontario were present in the House for what I consider to be an important opportunity to express confidence in the auto pact. As we wind up the debate and get ready for the next, three more have entered. No cabinet minister in this province has deemed it important enough to attend a one-hour discussion in this House to protect the auto pact. No minister of this government thought it appropriate to take one hour of his time simply to sit and express by his presence his concern about maintaining the auto pact.

Mr. Ferraro: On a point of order, Mr. Speaker: Notwithstanding the remarks by the Leader of the Opposition, the Minister of Industry, Trade and Technology was here for most of the remarks made by the opposition, as was the Minister of Education (Mr. Conway).

The Acting Speaker (Mr. Morin): This is not a point of order.

Mr. Grossman: In the remaining time I have, I want to make this point because it is relevant to the point I was making about the degree to which the auto pact is going to become either a political football in this province or a symbol that we are all going to stand together for the auto workers, not for anyone's personal political gain.

We have talked this morning about how well Canada is doing currently under the auto pact. We have talked about the surplus we have had and about the Japanese investment we have here. We have talked about the economic climate and about our productivity. We have talked about the 11 GM plants in the US that have been closed. We have talked about the fracture in the United Auto Workers. We have talked about all those things with a lot of intelligent contributions made.

If anyone takes these facts, runs them up the political flagpole and does it in such a way as to try to turn it into a campaign to fight something that is not there, he is going to put it there. If we invite those beleaguered UAW members, the 10,000 laid-off auto workers and their congressmen to take action against a perceived problem—and the member for Sault Ste. Marie has made the point—the productivity, the surplus here is not an auto pact function; it is a function of how well we make cars in Canada, the competitiveness of our workers here, the environment within which they work, the wage rate and our efficiency.

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If, indeed, anyone in this province—and I say this now that we have one minister of the crown taking time to join in this resolution this morning, I say to that one minister present—if any member of the government, including its leader, chooses to use this as a platform to raise a red flag in front of the Americans—who at any time, this morning, this afternoon, next week or on the Premier's next visit to Washington, could serve notice of termination of that auto pact with or without the freer trade talks—then someone is going to have to be called to account for having said to the Americans, having put in the front page of the Detroit, Michigan and Missouri newspapers, having put it to them in clear and blunt terms that we are doing well here in Canada, we like it and do not interfere, remind them how well it is going for us here and then turn it into a political football to fight and bash the Americans, where what we hope they do is sit quietly while we enjoy a surplus under the auto pact—a surplus we are entitled to, just as they were entitled to one when they had it.

I close this morning in thanking the members for indicating what I think will be unanimous support to this resolution and remind them that the support they express in words has to be expressed in the way they express those words, in the way they handle these issues, in the degree to which they will put diplomacy and tact on behalf of protecting those jobs ahead of a real political desire to score some domestic political points in order to achieve a domestic political goal.

It is simple in my view. The more people play politics with the auto pact in Canada, the more they are likely to kick off exactly the notice of termination south of the border that they want to pose here as trying to fight against. It is time for statesmanship and leadership.

Let the words, echoing in a very empty chamber thanks to the absence across the floor, echo from here throughout the government building and the cabinet room: diplomacy and tact, looking after the auto workers ahead of political rhetoric. I thank the members for their support for this important resolution.

Hon. Mr. Conway: On a point of privilege, Mr. Speaker: Briefly, I want to respond to a charge made by the Leader of the Opposition, which quite unhappily speaks to his peculiar sense of morality. I happened to have been in this assembly and to have heard the honourable member's speech in its entirety. It is not true to say, as the Leader of the Opposition said, there

was no one here listening to him. I sat through the entire presentation. I left only to process—

Interjections.

The Acting Speaker: Order. May I remind the member to take his seat. Order. Would you please take your seat? Order.

This ends the debate on resolution 41.

DAY CARE

Ms. Gigantes moved resolution 42:

That in the opinion of this House, since:

(1) the fact that the select committee on health (established to consider the role of the commercial, for-profit sector of health and social services) has not yet reported;

(2) the fact that this government is on record as supporting a moratorium on further privatization of health and social services;

(3) the fact that the Legislature has waited a year for the promised white paper on child care; and

(4) the fact that the consultation process to lead into the white paper on child care has not begun;

The government of Ontario should prohibit direct public funding of commercial child care programs, for the following policy reasons:

1. the effective use of government revenue;

2. the growing evidence that nonprofit child care programs are superior in quality to programs provided in commercial setting; and

3. the experience of inadequate service and lack of public accountability in the similar field of care programs for the elderly, that is, commercial nursing homes.

The Acting Speaker: The honourable member has up to 20 minutes for her presentation and she may reserve any portion of it for the windup.

Ms. Gigantes: I feel I should explain the rather negative tone of the resolution that I have brought before the Legislature this morning. It has a positive purpose.

At this time, we are at a decision point in terms of our policy on the provision of child care services in Ontario. We know from balloons that have been floated on behalf of the government and leaks through associations of commercial day care operators that the government is on the point of deciding it will provide direct operating funds, public funds, for operating costs to child care operations in this province, including those run on a commercial basis.

Because we are at that decision point and because I feel that decision constitutes a turning point in our approach to public policy on this question, I believe we must directly address the

question of whether public funds should be going to commercial child care operations.

I remind members of this Legislature that, included in the commitments undertaken by the Liberal government in the accord with the New Democratic Party in June 1985, following the election and the change of government in this province, there were four important commitments that have a direct influence on the decision that lies before us in the field of child care policy.

First, the accord said there would be a select committee to examine the commercialization of health and social services in Ontario. There was a recognition in the accord, an acknowledgement by the Liberal Party of the certainty the NDP had identified, that the growing commercialization of people services in this province was a threat to the financial structures of this province in terms of public fiscal responsibility and to the quality of care we seek to provide for those people in our communities, whether they be old, young, handicapped or deprived in some way. The quality of care we provide for them in a public sense is threatened by the fact that we are allowing the commercialization of the services we provide.

It is in acknowledgement of that fact that the Liberal government agreed with the NDP that we should have a select committee inquire into the question of commercialization. That select committee has not yet reported, but this government is clearly on the verge of increasing the degree of commercialization in the child care sector of this province and beginning on a path of development of child care services that will see us go down the road we have travelled on nursing homes in providing care for the elderly in this province and that we have seen in other provinces as a bad example of how to provide services to people.

In the NDP accord, the government also agreed that there would be reform of the present nursing home system, the licensing and inspection system of nursing homes in Ontario. That is a crying need the government has had to acknowledge, because it has been a shock for people to recognize during the past several years the level of services and the degree of accountability of nursing home operators and their operations in Ontario. There is an acknowledgement by the government that we have to do something very basic in terms of reform of our nursing home system. We have not seen that take place yet, in spite of the many months that have passed with this new government, but there has been an acknowledgement the problem exists.

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The accord affirmed there should be "reform of day care policy and funding to recognize child care as a basic public service and not a form of welfare." Following on that acknowledgement and promise made in the accord, we have been told to await a government white paper which will provide us with an outline of government policy on the subject of child care. That white paper was expected in and promised for June 1986. It has not appeared. It looks as if the government is about to take measures in terms of financing for the direct operating costs of existing centres which will inhibit an overall comprehensive review of the development of a good child care service for the people of Ontario.

The fourth item in the accord to which this question is directly related, in my view, is the statement that the government would undertake "affirmative action and employment equity for women, minorities and the handicapped." In terms of the needs of women in this province, a good child care system is an absolute necessity.

In the past few years, there has had to be an acknowledgement that the situation of child care services in this province has been dismal. There must be a radical effort made—and I mean radical, a whole new approach—to provide good quality child care services for the families of this province. It is not a women's issue; it is a children's issue and bears directly on the future of this province.

Women are in the work force. Women with young children are in the work force. In fact, 64 per cent of the women of Ontario with small children were in the work force in October 1986. At that point, there were only 85,479 licenced or supervised spaces available in day care centres in this province. In 1985, 59 per cent of the women of this province who had children under the age of six were in the labour force. That represents a remarkable increase in the participation of young mothers—some of them may be old mothers but they have young children—in the work force of Ontario.

There is a problem in the provision of child care services. We can break that problem down into sections. There is a problem with access; there are not enough spaces. We know there is a problem of affordability—the fees being charged are outside the means of the ordinary working family—and there is a problem with quality. We do not have a system which ensures quality. In fact, we may be on the verge of funnelling money into the very part of the system, the commercial sector, in which the quality now is the lowest.

Members will be aware that last week the Coalition for Day Care in Ontario publicly released a survey undertaken for the work of the parliamentary committee in Ottawa considering the development of child care policy. That survey indicated that, according to the inspectors of day care services, there is a marked difference in quality of programs across Canada when one compares commercial child care centres with nonprofit child care centres.

That is the first comprehensive look at the quality of program provided in child care centres across Canada. It is a survey done by people who know what that service is, who are paid to look at that service in terms of quality. It is a survey that should give the government full warning that to pour public money now into the operating costs of commercial child care centres is not the way to go if we are aiming for quality programs for children in this country and, more particularly and of more concern to us, in this province.

Within Ontario at this stage, we have a very haphazard system. The minister has made it clear that he has grave difficulties; he has as yet no policy on the matter of how to increase accessibility for families to the provision of child care services. Where are the spaces going to come? In the meantime, he has to worry about all the spaces that exist and protect them. This is the kind of argument he has been presenting publicly about why we should be putting public funding into for-profit day care.

As late as yesterday, he said he and other provincial ministers, who met with the federal Minister of National Health and Welfare in Ottawa last week, discussed the question of federal cost sharing of provincial public funding for commercial centres and that only one province was against the idea. That one province was Manitoba, and I am very proud of the position of that province. There has been a willingness in Manitoba to face facts about the relationship between public funding and the need for public accountability about quality of service for vulnerable populations. In that, I include the children of Ontario as well as of Manitoba and other provinces.

If we are going to look for good child care services, if we are not going to do an experiment with the children of this province, a whole generation of children whose mothers are at work from the earliest ages when those children are growing up, then we have to take care about the way we develop our system. It is absolutely vital.

The minister tells us he wants to make sure there is a choice available to families. He makes

it sound as if the choice that families are looking for is putting children in a commercial day care operation as opposed to putting them in a nonprofit day care operation. Somehow he tends to mush those ideas together to try to confuse the issue. That is not the choice people are looking for. The choice families and mothers are looking for is one of having a service of high quality available or not having it. The fact right now is that the choice is not available, and the answer to that problem is not to fund commercial sector day care, but to provide nonprofit day care which we know even now is of higher quality.

If we look at the experiences of other governments, we can see a very bad experience in Alberta, which in 1980 began operating funding for commercial day care centres. There is no doubt in the mind of anyone who has looked at the situation in Alberta since then that there has been a noxious effect on child care services in Alberta. The diversion of public funding to commercial sector child care operations has increased the number of spaces in Alberta, but at what cost?

Objective observers will say, and I will cite articles from the Calgary Herald to indicate it, the quality of service for children in day care centres in Alberta has gone down as a direct result of the decision to provide public funding to private operations. The reason for that is simple. As public funding has been available to commercial operators, they have aggressively gone into a market which is huge, where demand is overriding and competition is nonexistent.

If you can get a licence, you have a market, a high level of demand for your product, but the quality is not there. The quality of service has gone down; the commercial sector in child care has expanded aggressively and the result has been access, more spaces, but no quality care for a great many children in Alberta and a system which is not publicly accountable either in financial terms or quality of service.

1120

I will quote very briefly from a series of articles done by the Calgary Herald in the fall of 1985 in an attempt to assess what was happening in child care in the province and what had produced the effects that were then visible. They quoted directly from day care operators, from parents and from people who worked in day care. When one reads through these articles, it is quite clear there has been a cause-and-effect relationship between the decision to fund commercial centres and the fact that the whole child care sector is now dominated very heavily by com-

mercial services; the quality of those services is low and the public accountability is low.

One day care operator was quoted as saying to the reporter who worked on this series: "If you want to make a lot of money, go into real estate. If you want to make a little less and care about children, then go into day care." He ought to know. For 10 years, he has been building day care centres in Calgary and throughout the province. He now has about 20 day care centres with 1,500 children being provided services through those centres. He is a very rich man.

He also says that he accepts the need for more governmental regulation but his bottom line is free enterprise. This is how he puts it: "If people do not like your damned day care, they do not have to go to it." That is what competition is about in the provision of services to people. The demand is so overwhelming out there that if we provide public funding to those commercial operators, that is the area of service that will boom aggressively.

If anybody has any doubt about that, he should take a look at the press release that was put out last week by the Association of Day Care Operators of Ontario, the private day care operators, the commercial sector in day care. It is a very aggressive statement about how they want public support in financial terms for growth in their sector of that service industry. Take a good look at it. These people are not content to see grandfather clauses; existing day care centres are going to get \$3 per space and no new commercial day care centres will get money, and this is the proposition the government has been floating. They will not stop there.

As in Alberta, these commercial, profit-oriented operators are going to move forward aggressively in this market and if we give public funding to them, we are delivering over a new service sector to commercialization and privatization in this province. We are doing it and putting our children in the position of being the vulnerable recipients of a service for which there is no quality accountability and there is no financial accountability. Let us see the books of operators to whom we give money. We have gone through this in the nursing home field. If we have not learned the lesson now, we are dumb.

This is a negative resolution. I phrased it that way so I could be as direct as possible in indicating why I feel we must turn from this kind of project to the better way, which is to insist that services to people in Ontario, particularly the most vulnerable groups of people in the prov-

ince, the elderly, the young, must be provided on a nonprofit basis.

Mr. Cordiano: I want to start off by talking about what is at the heart of what the honourable member has just stated in terms of a resolution. She has expressed a great deal of concern for quality child care services and accountability. I want to assure the members of this House and the honourable member that, indeed, it is not something we have shunted aside as a concern expressed by this government. We are very concerned about the question of accessibility, affordability and, as expressed by the minister, a choice for parents, because I think that is important. I will get back to that later.

In Ontario, it is essential to remember that half of the present licensed capacity and approximately one third of the subsidized spaces are provided by the for-profit centres. We cannot negate that factor. It is an important piece of information that we simply cannot remove. It is a realistic one; it is one that currently exists.

As the government struggles with this question and examines new funding approaches, there is a need to ensure that the existing spaces I have just referred to continue to be available to families currently dependent on them. There is also a need to ensure that the same quality continues in the for-profit centres as well as in the nonprofit centres.

I want to refer to the famous report to which the member has referred and other members have looked to for an explanation of quality in child care. The report is called *An Explanatory Review of Selected Issues in For-Profit Versus Not-For-Profit Child Care*. It was released last week. It is frequently referred to in terms of its funding related to a differential in the quality of care between nonprofit and the commercial sector. However, what has not been referred to is the analysis of the potential impact of differential funding support and the recommendations of that report.

I notice the member smiling, but we have to look at this in an objective fashion. Because of the potential implications of such a policy, the report outlines concerns about the introduction of any policy designed to discriminate against for-profit businesses. I have to look at some of the terms of reference. According to the report, if we discriminate against for-profit businesses, we run the risk of producing a negative impact even on commercial centres that closely resemble the nonprofit centres that are operating at a high-quality level.

The relatively high incidence of low-quality care found in for-profit day care centres, particularly among small independent operators, is mainly due to the fact that for-profit operators generally do not have access to the level of public financial assistance that is available to nonprofit operators. That is a fundamental distinction. Obviously, the not-for-profit centres have greater resources. Consequently, the quality in those centres is marginally better in some cases and far better in others. The report has referred to this.

Finally, the report states that if we use any measures that use auspices—and that is a designation indicating whether a particular child care operation is profit or nonprofit—if we use it as a restriction, we run the risk of limiting the number of child care organizations or raising costs, and in that way pushing parents towards the unregulated child care operators. That is a very great portion of the kind of care that is being offered, and a lot of parents have to turn to it. That is a realistic situation that exists, and we want to ensure that it does not continue and that the situation will not be aggravated.

The study concludes that efforts to discriminate against for-profit operators should therefore be approached with great caution. It goes on to state, “Rather, a more productive strategy for improving the quality of care is through an integrated approach which combines change in the legislative and regulatory framework with changes in the level of financial assistance.”

This government is giving consideration to new funding measures such as the member has pointed out, but I want to make a distinction between what she is saying and what we are attempting to do. I am going to allude to that later. We are looking at direct operating grants and a move from needs testing to income testing.

To maintain the existing commercial sector and support quality service, equity requires that consideration be given to this sector. As a result, Ontario will be pursuing with the federal government greater flexibility within the cost-sharing arrangements to include the commercial sector.

1130

Members have to remember that under the present legislation in Ontario all licensed centres, whether commercial or noncommercial, are subject to exactly the same standards and inspection requirements. That is going to continue to be the case.

Ms. Gigantes: There are no inspection requirements; there are no provincial standards.

Mr. Cordiano: Sure there are.

As the minister stated yesterday, he is committed to providing an early indication of our program initiatives. However, the effect of the federal-provincial discussions needs to be considered before announcements can be made. I am going to tell members what the agenda calls for in terms of the timetable. On February 1, a series of bilateral meetings between individual provinces and federal government officials begins. Finally, in June, a federal-provincial agreement should be confirmed at a meeting of ministers. The Minister of Community and Social Services (Mr. Sweeney) stated yesterday in the Legislature, "I am assured by the federal government and other provinces that this timetable is the speediest they can follow."

I want to go back to what the member for Ottawa Centre (Ms. Gigantes) referred to with regard to the trend towards commercialization. She was referring to some of the information brought out by the federal report. The minister has indicated, as I am sure she is aware, that the report is in error and that the growth since 1985 in the commercial sector has not been the reported 38.5 per cent but 4.1 per cent. That is a substantial difference and is fundamental to understanding where this government is going in terms of the question of the commercialized sector or the not-for-profit sector.

There is no intention on the part of the government to expand the commercial sector. We are simply trying to increase the quality of what we have now. The situation is that half of the day care spaces available are in the commercial sector. There is no way we can change that around in the immediate and foreseeable future. We are going to move in a transitional stage to the Utopian vision my honourable friend has. That is where we are.

In a perfect world with unlimited resources, we could do what the member is calling for, but I do not believe that is a very realistic proposition. We do have a commercialized sector. Also, one is talking about an investment in capital in taking these over, in turning these centres from commercialized to not-for-profit or nonprofit centres. Sure you are.

The resources that would be required to do that would jeopardize the entire number of spaces, which I believe is about 50,000 in the commercial sector. What are we going to do to shore up the spaces there now if we are going to eliminate those commercial spaces?

A more realistic approach, and one this government has taken, is to ensure that we bring

up the level of quality, that we have more accessibility and that day care becomes a basic service and not a welfare service by moving from this situation, which we have inherited, to one in which we see day care becoming a basic service and not a welfare service. There is no disagreement there. There is no disagreement with the stated intention, but on how we get there we are at odds with each other.

For that reason, I cannot support the member's resolution, at least the last part of her resolution.

Mrs. Marland: I must say at the outset, in rising to speak in strong opposition to the resolution from the member for Ottawa Centre to deny direct funding to commercial child care, that I was tremendously amazed that of any member in the House, this member would make this resolution without a solution. Even if that was ideally the thrust of her wish, I have not seen any solution in anything I have heard today.

I also would like to take very strong exception to the fact that she is suggesting that the experience of inadequate service and lack of public accountability in the similar field of care programs for the elderly, i.e., commercial nursing homes; that is a very dangerous and malicious slam against commercial nursing homes. There certainly are some problems in some areas, but to make a generalized statement such as that is not in the interests of the care of the elderly in this province whatsoever.

I oppose and call on others to reject the resolution before us today. To call for the government to prohibit direct funding of commercial child care programs is a shortsighted, narrow approach that is grounded in ideology and ignores the reality of the child care situation in Ontario. Moreover, it represents a punitive approach in two ways. First, it seeks to discriminate against private sector day care operators who happen to supply half the province's licensed group of child care spaces. Second, and still more important, it would punish the thousands of parents who have their children in private centres.

This resolution is also irresponsible. It would create a situation in Ontario in which we might have to forfeit the opportunity for increased assistance to all our day care centres. Believe me, profit and nonprofit alike, they are all struggling with the same big problems, such as liability insurance costs, shortage of qualified child care workers and the justified need to increase the salaries of those workers.

If a new arrangement can be reached with the federal government to allow the cost-sharing

dollars to flow to both commercial and nonprofit child care centres, we must take advantage of these new moneys to enhance the quality and availability of all forms of child care. I cannot, nor should anyone else, support a position that will deny Ontario the chance to benefit from a new arrangement that would help address some of the chronic problems we face in terms of quality, affordability and availability of child care spaces.

As a Progressive Conservative, I strongly believe that there is room for all sectors to play a role in the delivery of child care. Parents in this province should be provided with a wide range of alternatives in choosing the type of care that they, and not the government or some political philosophers, want for their own children. This means a free choice among government-operated, nonprofit and commercial centres. Only by providing many different modes of delivery can we produce the highest quality of care.

Having said that, I want to place it on the record that I am apprehensive about the direction in which the Minister of Community and Social Services is moving in terms of lobbying Ottawa. The Liberals want direct funding for child care centres. I am concerned about this approach. Specifically, I am not convinced that the problems in child care are best addressed by setting up a whole new funding structure that provides money to the centres instead of to the parents.

I have very strong reservations about moving in that direction of transforming child care into a directly funded institutional bureaucracy. If the Minister of Community and Social Services had taken the time seriously to consider the views of the province's commercial day care operators, he would have known that even the operators themselves do not want direct grants. They advocate moving to income testing and expanding the current system of subsidies so that more families can qualify for assistance, so that more money will be available for subsidization and so that cash flows are higher so that salaries can be raised and centres can attract good staff. Instead of direct grants, a better approach would be to focus all efforts on expanding and improving the existing subsidization system by implementing income testing in both sectors and giving more money to the parents.

I am in support of part of the minister's position, specifically his efforts to convince the federal government to allow income testing to be applied to the commercial sector. Income testing

is less intrusive, easier and cheaper to administer and would allow more parents to qualify for the assistance they need. I urge the minister to focus his efforts on improving the whole subsidy system.

1140

Should the minister insist on pursuing the giving of direct grants to child care centres, he must at least ensure that both the commercial and nonprofit sectors receive equal benefits. We must do everything we can to sustain existing spaces and create new ones to meet the heavy demand for child care spaces. Any preference shown to one sector of child care providers could result in a dramatic decline in accessibility and the possible erosion of half the province's licensed group child care spaces.

In many towns across the province, the only child care spaces are in commercial centres. To deny direct moneys to such centres would not only discriminate against them, but it could also lead to a situation where private sector operators pull out, leaving no child care of any kind in those towns.

I would like to conclude by stating clearly I do not support this resolution because it ignores the realities of child care in Ontario and it represents a shortsighted, punitive approach towards the private sector which we so often find as a characteristic of members of the third party.

If the argument is seriously because of the variance of standards and quality of the private centre providers, then let us deal with these through licensing and inspection of an upgraded mode, but let us not throw the entire province into chaos. Let us not show such callous disregard for parents who, because of the socioeconomic climate in our province today, require the services of day care centres.

When we look at the situation globally across this nation and recognize that we have 4.3 million day care spaces in Canada, 174,000 of which are licensed, we know we are still dependent on the small homes, on the people who provide for their relatives within their own family setting. The whole issue of child care is one that is reflected and needed by our economy.

Mr. R. F. Johnston: On a point of order, Mr. Speaker: I was hoping you might rise and call the member for Mississauga South (Mrs. Marland) to order. My point of order is to ask you whether you might do that.

The member used the word "malicious" which, in my view, impugns motive to the member for Ottawa Centre in terms of her reference to the nursing home industry. The

definition of "malicious" in the dictionary provided to me by one of the friendly pages goes as follows: "motivated by vicious, wanton or mischievous purposes." I suggest to you, sir, that word is unparliamentary and should be withdrawn.

Mr. Speaker: I did note that. I think the phrase was "a malicious attack." I did consider whether it was impugning motives and I do not believe it was. I also considered whether it was insulting and likely to create disorder. It is very close to the line, but I decided it was not out of order, so I did not call the member on it. Perhaps the member in the future, though, would pick words a little further away from the line.

Mrs. Marland: Mr. Speaker, in the interest of maintaining the decorum for which I have very great respect in the Legislature, I would be happy to withdraw the use of that marginal word as you have so it described today.

Mr. R. F. Johnston: Let me thank the member for her prompt response. It was very appropriate.

I rise today with two hats to speak on this issue in support of the member for Ottawa Centre's resolution. First, as critic of my party for the Ministry of Community and Social Services since 1981, I have had a long history of dealing with child care issues in this province and I am very nervous about what I see as an impending Liberal change of philosophy on this matter.

Second, I speak as a member of the select committee on health which, as the member for Ottawa Centre said, has been established to look at the whole question of commercialization and privatization of health care and social services in the province. As members of that committee, we are just receiving information now on the background of programs within the Ministry of Health and the Ministry of Community and Social Services. I do not like the idea that the government will be moving on a major policy change before we have had a chance to have hearings or major discussions as a select committee on this issue. I think it is an affront to the committee.

There are two questions that come to my mind. What has happened to the Minister of Community and Social Services? What has happened to the reformist Liberals who spoke so proudly about their reformist zeal as a government?

Last spring the Minister of Community and Social Services promised he would have a white paper for us on government directions in day care by June. There was even a tentative date set between the Attorney General (Mr. Scott) and

the Minister of Community and Social Services to make that announcement in Thunder Bay in June. It got snowed and stopped at cabinet, by whom I do not know. It is interesting to see the Treasurer (Mr. Nixon) here today. It might have been because of financial concerns. Who knows? We did not see it then.

We were told it would be out in the fall, and it did not come out then. Then the new strategy of the Liberal government started. It was, "We will wait to see what the feds are doing and then we will make our response on day care policy to what the federal government"—that progressive force, the Mulroney government, which it relies on so heavily—"might come forward with."

Mr. Cordiano: We need the federal money.

Hon. Mr. Nixon: The Progressive Conservatives want to send a grant to the Contras.

Mr. R. F. Johnston: I would not be surprised.

An interesting point was raised by the parliamentary assistant, who is new at his job. I will forgive him for that. Needing federal money has never been a problem in this province before in the sense that—and his critics in the past have raised this point, as I have—we have never used the Canada assistance plan to its maximum for child care. If we wanted to spend more money under the present plan, we could do so; we have not done so. It is not a difficulty.

Hon. Mr. Nixon: Because the municipalities would not co-operate.

Mr. R. F. Johnston: It has not been a policy of the Association of Municipalities of Ontario, as is being alluded to by the Treasurer. It has been a problem of the will of the government, which used to be Tory and which is now Liberal. It is hard to tell the difference these days when it comes to this kind of issue.

The select committee is likely to decide within the next week that child care is one of the issues it wants to look at. In the preliminary report that we received back from Cathy Fooks from library research—who, I see, is here today—we learned that the Ministry of Community and Social Services is one of the areas with the largest amount of commercialization in it. That amount is staying at least consistent or is growing slightly. Any change of policy such as the one the government is talking about—that is, giving money to the commercial sector directly for its operating services—would be fundamental. For that reason, we will probably be saying it is one of the things we should be looking at during the break.

It is not appropriate for this government to start tinkering around with that system now and talking about what it thinks is some harmless expansion into giving direct grants to the commercial sector when we have not yet had a chance to look at what the implications are.

I encourage the member for Downsview (Mr. Cordiano) to look at the report that was made to us. From the comments he was making, he obviously has not had it. That report tells us we have a statistical dearth of information about day care. The kind of compilation we have is totally inadequate to know what the quality is in our services today. We are talking about a major policy change which, without any doubt, would expand the commercial sector amazingly and bring us to a system which is like that in Alberta or the United States, where the major chains see this as a major profit-making possibility for them and will change the balance dramatically in favour of the commercial sector.

To do that when we do not have inspection reports that are made public or collected province-wide, that are done only in regional offices, of which we have no systematic review at all, to which we have no public access, is a major mistake.

1150

I have been around here for a fair amount of time, although not for as long as others. I remember that when I was working for a former leader of mine, Stephen Lewis, he raised the question of Mini-Skools and the quality of care in Mini-Skools in Ontario. I encourage the member to look back at that, to see what the problems were, and to look at the fact that today we have no policy at all in terms of looking at the quality of care in an open and public way. This is a major problem.

From looking at the report we have had from our researchers, we do not even know from the ministry in accurate terms what the breakdown is of profit and nonprofit. They cannot break that out for us. They use two different kinds of statistics in terms of individuals who may be running their own operations and corporations that may be running their own operations. They do not seem to know which of those figures they want to use and could not give the select committee consistent statistics for this.

This government supposedly committed itself to a moratorium on expansion of commercialization and privatization until such time as the select committee has a chance to look at this. In other areas, the government can argue that it is expanding equally in the private and nonprofit

areas and that therefore it does not change the balance. However, the moment it gives a direct grant to pay a subsidy to those private, commercial operators, it is going to change the balance dramatically in Ontario.

Mr. Cordiano: All we are doing is improving salaries.

Mr. R. F. Johnston: Oh, improving salaries. At the moment, there is equal funding between the private and nonprofit sectors. There are no direct grants to the nonprofits at this stage, as the member knows. I ask the member to look at the statistics as to who pays whom good salaries.

Ms. Gigantes: They get the same amount.

Mr. R. F. Johnston: They get the same amount now and it is the profit-making sector that underpays its workers right now. If the member is going to give them both direct grants, what makes him think this is going to narrow the gap in wages one iota? It will not.

Mr. Cordiano: That is one item in the equality question. You are not looking at that.

Mr. Speaker: Order.

Mr. R. F. Johnston: What we have at the moment are four major issues in child care, none of which is addressed by just giving money to the commercial sector. One is affordability, and that will not change it. As the member for Oakwood (Mr. Grande) was just saying to me, there are some good quality private, profit organizations out there; there is no doubt about that. They cost a fortune. They are not accessible to the person who is having trouble with budgets.

Let us look at the commercial sector right now under the equal funding system we have currently. Who provides subsidized spaces? Is it the profit sector? No, it is not. They provide a much smaller proportion of subsidized spaces. They have much less consideration for the poor in our society than do the nonprofits. The member knows this is true and it would not change one iota by giving them extra money to increase their profit margins.

To say that it is not appropriate to link this with nursing homes is preposterous and outrageous. Of course, we have to look at that. It is the obvious parallel with the questions of accountability, affordability, quality of care and access that are being raised about the elderly at the same time as about children. To suggest we should move to that model after all the problems that have been raised by the member for Windsor-Riverside (Mr. D. S. Cooke) and other members of this party for years, including by my leader,

would be a terrible thing for us to do without at least having a select committee review it.

Mr. Cordiano: How do you address those?

Mr. R. F. Johnston: I know the member for Downsview was not here before. If I had more time, and I do not, I would quote him some of his critics' comments in the past about expansion of commercial day care. I indicate to the member that what he is talking about is a major change in Liberal policy, which has never been taken before any convention of his party. It has never been discussed by his party and certainly not by this House, let alone by the public. To make that kind of announcement while we have a select committee trying to look seriously at this issue is a very dangerous thing to do and is basically an affront to us.

I do not have much time. I suggest in closing that the minister has obviously had to back down from this policy. We are expecting the announcement this week. I do not know whether he was sandbagged by the Treasurer or by the fact that he finally saw this was not a wise policy. However, I hope he continues to stay away from it, leaves it alone and gives the money to the nonprofit sector where it is needed.

Mr. Speaker: The member for Ottawa Centre has reserved two minutes, I believe, so there will be about three minutes for the member for Brampton.

Mr. Callahan: I will be very brief. I am sure there has been a lot said on this motion. I would like to rise to the defence of the select committee and point out the very salient feature that had so many committees not been struck as a result of specious arguments from the opposition—I believe the committees number 14 at this point, including the select committee—we would perhaps have been able to get on with the issue of the select committee.

Mr. R. F. Johnston: On a point of order, Mr. Speaker: He knows our problem is that the ministries would not give us the information. Come clean, sir.

Mr. Callahan: No, that is not correct.

Mr. R. F. Johnston: Come clean.

Mr. Callahan: That is not correct.

Mr. R. F. Johnston: We did not get that information until January.

Mr. Speaker: The member for Scarborough West (Mr. R. F. Johnston) was able to speak previously. That is not a point of order.

Mr. Callahan: If the member for Scarborough West reflects on that, I think he will

recognize the fact that we had difficulty in securing time to deal with the select committee simply because there were so many other committees sitting. I look at the fact that two weeks are now going to be spent on the standing committee on the Legislative Assembly in order to review a matter that was raised by the member for Brantford (Mr. Gillies), which may very well turn out to be a bust. In the light of that, very important things have been kept back.

I would also add that, in the preliminary information we have received prior to preparing an interim report of the select committee on health, we have found that the figures between for-profit and not-for-profit are roughly—and I say this roughly—about 50-50.

In the light of that, suddenly to decide now, as is the purpose of the private member's bill, to restrict or not to allow any changes to take place might very well result in the for-profit sector disappearing and having to be caught up and supplemented by not-for-profit. I submit that that is a very important factor.

It is just like volunteers in a municipality. If you were suddenly to get rid of all the volunteers, you would find that you would require public dollars to pick up the slack of the vacuum that was created by that.

I suggest that at this time it is premature for such a motion as my honourable friend is suggesting and I am going to vote against it.

Ms. Gigantes: Very briefly in the remaining time, I would like to respond to a couple of the points that have been raised in a vague kind of way to try to murky the waters around what is a very clear issue.

The issue is simply whether we decide for the future that we are going to promote commercial services in the child care area. That is the decision that lies before us. We want to see accessible day care, we want to see affordable day care and we want to see quality day care in this province. It is a crying need.

The government has responded to that need. It looks as though it is going to take the wrong turn in terms of policy developments in this area and is going to promote the growth of the commercial provision of child care services to the children of this province.

When I speak against providing public funds to unaccountable commercial operators, over whom we have no control mechanisms now in terms of quality or finances, then I am accused of trying to withdraw existing services in the province. Not at all. The commercial sector in Ontario now gets \$142 million from fees from

parents and from subsidies from this government for people who cannot afford to pay the costs of putting their child in day care centres. It is \$142 million. They are making a profit. Let them alone.

If we are going to promote affordable, accessible, high-quality care, we put public funding in the sector that we know we can have made accountable to the public, to the families and to the elected representatives, and that is the nonprofit sector.

The Treasurer introduces another canard. He again blames the municipalities of this province for interfering with accessible day care. He says they are not playing ball. He has said it before. It is not true. If you give \$3 a day to a commercial operator, what you are doing is underlining the bad policy we have now, which creates geographic divisions. Municipalities should not have to pay for this stuff.

1200

AUTO PACT

Mr. Speaker: Mr. Grossman has moved resolution 41.

Motion agreed to.

DAY CARE

Mr. Speaker: Ms. Gigantes has moved resolution 42.

All those in favour will please say "aye."

All those opposed will please say "nay."

In my opinion the nays have it.

1205

DAY CARE

The House divided on Ms. Gigantes's motion of resolution 42, which was negated on the following vote:

Ayes

Allen, Bryden, Charlton, Cooke, D. S., Gigantes, Grande, Grier, Johnston, R. F., Laughren, Mackenzie, Martel, McClellan, Morin-Strom, Philip, Warner, Wildman.

Nays

Andrewes, Baetz, Barlow, Bernier, Bossy, Brandt, Callahan, Caplan, Conway, Cooke, D. R., Cordiano, Cousens, Cureatz, Dean, Ferraro, Gillies, Haggerty, Jackson, Johnson, J. M., Knight, Lane, Mancini, Marland, McFadden; McGuigan, McKessock, McNeil, Miller, G. I., Mitchell, Morin, Newman, Nixon, Offer, O'Neil, Partington, Pierce, Pollock, Polsinelli, Pope, Rowe, Runciman, Sheppard, Smith, D. W., Smith, E. J., Stevenson, K. R., Taylor, Turner, Villeneuve.

Ayes 16; nays 48.

The House recessed at 12:09 p.m.

AFTERNOON SITTING

The House resumed at 1:30 p.m.

Mr. McClellan: I have a point of privilege, Mr. Speaker. Courtesy would require that I wait until the Minister of the Environment (Mr. Bradley) arrives; so if I may, I will hold my point of privilege until the minister arrives.

MEMBERS' STATEMENTS

NATIVE FISHING AGREEMENT

Mr. Bernier: During the past several weeks, the newly formed association known as Tourism Northwest in northwestern Ontario has been very vocal and very successful in assisting the provincial native fishing agreement negotiator, Al Stewart, in promoting public educational meetings.

I want to inform the Legislature that on Tuesday evening, January 27, more than 800 people from the Dryden area jammed the legion hall to attend the so-called educational meeting on the native fishing agreement.

After repeated calls made directly to the Premier (Mr. Peterson) and to the Minister of Natural Resources (Mr. Kerrio) to attend these meetings personally, to listen to the public's concerns and to answer the many questions that are being raised constantly, answers that the civil servants cannot answer and should not be called on to answer, they have failed to appear.

Several more such public meetings are being planned in places such as Rainy River, Thunder Bay, Sault Ste. Marie, Sudbury, Chatham and Toronto. The ministers responsible for negotiating this native fishing agreement must be there as they, and only they, can answer the questions that are being raised.

I say to the Premier, the Attorney General (Mr. Scott) and the Minister of Natural Resources to stop hiding behind their senior civil servants and start attending these very important public discussions.

NORTHERN REGIONAL TREATMENT CENTRE

Mr. Laughren: In April 1986, the Minister of Correctional Services (Mr. Keyes) and his staff identified a need for a treatment centre in northern Ontario for northern Ontario inmates. In June, a public meeting was held, and since that time other meetings have been held and commitments made. We were led to believe that Sudbury was the preferred location for such a treatment

centre. Since that time, after a series of meetings and commitments, some things have not changed.

First, Sudbury is centrally located. Second, Sudbury has the required psychiatric professionals necessary. Sudbury has the professionals in the school of social work at Laurentian University. Sudbury is prepared to provide a site at absolutely no cost to the Ministry of Correctional Services. Sudbury has a pool of bilingual professionals to help operate the centre.

As a result of a regional council meeting last night, there is unanimous consent that such a facility be located in the community. It was supported by the local aldermen, by the mayor, who lives in the immediate area of the preferred site, and by the entire regional council. At this point, the minister should be prepared to send staff up there to answer all the questions the residents have and to make a firm commitment.

FESTIVE HOLIDAYS

Mr. Morin: Today is the most important day of the year for the Chinese, Vietnamese and Korean communities in Ontario. The Chinese, Vietnamese and Korean calendars are based on the cycle of the moon and, according to the lunar calendar, today marks the beginning of a new year. For the Vietnamese community this will be the Year of the Cat and for the Chinese and Korean communities it will be the Year of the Hare.

In the Chinese, Vietnamese and Korean communities, New Year's Day is primarily a family affair. It is a time for visiting relatives and friends and for the exchange of greetings and good wishes. It is also a time to enjoy the abundance of delicious food that traditionally accompanies this celebration. The festivities can last for up to a week. The continued observance of these traditional celebrations not only adds another colourful facet to the Canadian cultural mosaic but also helps to preserve the customs and culture of an ancient heritage.

I am sure all members of this Legislature will wish to join me in extending our best wishes to the Chinese, Vietnamese and Korean communities as they welcome the hopes and challenges of a new year.

Je souhaite donc une bonne et heureuse année aux communautés chinoise, vietnamienne et coréenne.

CREDIT CARDS

Mr. Harris: The Treasurer (Mr. Nixon) will know that pretty sound fiscal policies from the federal government have allowed substantially lower interest rates for consumer and business loans in Ontario. This success has contributed to the economic recovery and it has contributed to growth in this province. I might add it contrasts sharply with some of the failed policies of the former Liberal government in Ottawa. It contrasts with some of the policies we see here in Ontario.

There is a major problem with interest rates. Today, when we will probably see prime rates down around 7.5 per cent, we are looking at credit-card interest rates as follows: Visa, 18.6 per cent; Bank of Montreal MasterCard, 21 per cent, and Royal Bank Visa, 18.6 per cent. We are looking at Imperial Oil charging 24 per cent; we are looking at Eaton's, 28.8 per cent.

In essence, what happens is that it is the poor who end up financing through credit-card interest rates and therefore it is the poor who are paying the credit-card charges for everybody, instead of a reasonable fee being charged for credit cards.

It has been said provincial governments cannot do much. Illinois has found a way of doing something. It has threatened to withhold its funds from companies that charge these interest rates.

The government can look at its purchasing policies and where it buys gasoline. There are a lot of things this Treasurer can do to help correct this problem.

AUTOMOBILE INSURANCE

Mr. Swart: In question period on Monday, I said the total profits of the Manitoba Public Insurance Corp. now stood at \$54 million and there is \$321 million in reserve investments against unpaid claims. The Minister of Financial Institutions (Mr. Kwinter) countered by saying, "The reserves in Manitoba are only \$60 million." He said this in spite of the fact that he had a letter in his hand signed by the minister in charge of public insurance in Manitoba stating, "The funds for the investments total \$321.2 million in the 1985 fiscal year."

I have here the 1985 annual report of the Manitoba Public Insurance Corp., which shows assets of \$378 million and gives details of where \$290 million of what the minister states is only \$60 million is invested in public institutions. The minister provides the same kind of incorrect figures over and over again in the Legislature in his defence of the private auto insurance compa-

nies here against the far superior, driver-owned NDP public system in the west.

I suggest that even his slavish subservience to the giant private insurance companies here do not permit that kind of distortion. No wonder he does not want an investigation done to show the true comparison of the two systems. It would show, for all the world to see, how wrong he is.

1340

NURSING HOME BEDS

Mr. Offer: I rise today to acknowledge and thank the Minister of Health (Mr. Elston) for his recent nursing home allocation in Mississauga. Mississauga will receive 100 additional nursing home beds over the next three years. The ministry will be issuing a request for proposals in the fall from those interested in operating 100 beds in Mississauga, either in existing or in new nursing homes, and the ministry will give preference to proposals from nonprofit organizations. This addition of nursing home beds was recommended by the Peel District Health Council.

As we know, the ill and the elderly want to stay in their homes as long as possible. The concerted efforts not only of the Minister of Health but also of the Minister of Community and Social Services (Mr. Sweeney) and the Minister without Portfolio responsible for senior citizens' affairs (Mr. Van Horne) for the introduction of the new integrated homemaking services demonstrates this government's commitment to home care. But the very success of the home care programs in helping to keep people at home longer means that many of those people tend to be older, with more serious health care problems when they finally need long-term institutional care.

We must be certain that the right mix of services is available in each community. With this increase in nursing home beds and, incidentally, the announcement last summer of an additional 200 chronic care beds for Peel, this minister and this government have moved to meet the challenge of combining home care needs with intensive long-term care.

WINTER CARNIVAL

Mr. Andrewes: In the brief time that is left, might I take the opportunity to invite all honourable members to the Jordan Lions winter carnival, which will be held this weekend. This is a unique festival in that it contains unique sporting events in keeping with the climatic advantages of the Niagara Peninsula. The pro-

ceeds, of course, go to worthy causes, and I look forward to seeing members there.

MEMBER'S ANNIVERSARY

Mr. Grossman: Mr. Speaker, on a point of whatever you might determine it to be, but with the consent of the House I should like to say a few words about our colleague the member for Elgin (Mr. McNeil), who is celebrating his 29th anniversary in the Legislature.

Mr. Speaker: I understand there is unanimous consent.

Mr. Grossman: Our colleague the member for Elgin joined this House on January 30, 1958—would members believe it?—a mere 15 years into the period of time during which the former government had the pleasure of leading this province. He was first elected locally as a member of the municipal council of South Dorchester, 1946 to 1948. I was riding a tricycle at the time, being, like the Premier (Mr. Peterson), two years old.

Mr. Wildman: Now you are on a treadmill.

Mr. Grossman: I later got a driver for my tricycle and I have missed it ever since.

He subsequently served as reeve from 1949 to 1952 and as warden of Elgin county in 1952.

As all members of the House will know, he has served with great honour, dignity and distinction. He has been one of those persons who I would say has always perfectly represented, in every way possible—in his manner, his style, his caring—the people he represents.

On this day, I should simply like to acknowledge his first 29 years in the House. Since he has only turned 67 last week, I would hope to be able to watch, long after my time in this House has finished, as he celebrates many, many more years serving his people as effectively in the future as he has for the first 29 years of his term in office here.

Mr. McClellan: On behalf of my colleagues, I would like to offer the congratulations of the New Democratic Party to our friend the member for Elgin for his stupendous achievement of 29 years in this place. I spoke last week about the strange accomplishment of the member for Brant-Oxford-Norfolk (Mr. Nixon) in keeping his sanity after a quarter of a century—

Mr. Rae: That is debatable.

Mr. McClellan: The member for Elgin has served with integrity and distinction for more than a quarter of a century. I do not think I am incorrect in saying he is the only Conservative left in southwestern Ontario. Am I wrong?

Mr. McNeil: Two.

Mr. McClellan: I gather there is another Conservative somewhere in southwestern Ontario.

The member for Elgin has always spoken eloquently from deep and convincing firsthand knowledge about the needs and aspirations of his constituents. We have always enjoyed listening to the contributions he has made to the debates in the House and in committee. He is a very well respected member of this assembly, and as he embarks on his second quarter of a century of service in this assembly, we wish him long life and happiness.

Hon. Mr. Nixon: It is a great pleasure to join with the Leader of the Opposition (Mr. Grossman), the member for Bellwoods (Mr. McClellan) and all the other members in offering our congratulations to the member for Elgin on the 29th anniversary of his election.

The two of us have often participated in debates in this House, and, like the member for Bellwoods, I have the greatest respect for the member for Elgin's experience and his ability to put forward the judgement based on that experience associated with his long-term responsibilities in his local community and particularly in the agricultural community. I have special reason to feel very warm towards our friendship. He graduated from the Ontario Agricultural College in 1942, about the same time my brother was a student there; so our association goes a long way back.

The member for Bellwoods indicated that the member for Elgin is one of the few Conservatives in southwestern Ontario, but it was not always thus. While I would say he is philosophically established in the right party, in his early days he was quite influenced by the great Mitchell F. Hepburn, who was also a representative from Elgin. He even messed around just slightly with the Liberals until better judgement put him on the straight and narrow, which he has followed ever since.

I have always had a feeling of some regret that the Liberals were not more aggressive in seeing that the member for Elgin was a candidate for us, but sometimes you miss out on the good ones. Anyway, we have had a long and pleasant association in this House, and I want to congratulate the honourable member on behalf of all my colleagues in the Liberal Party and to wish him well.

He has embarked on additional personal responsibilities in the past few months. Having met Mrs. McNeil, I can congratulate the member

on his continuing good fortune. We are just delighted that he is healthy and, obviously, happy and effective here. We wish him many long years of happiness and community service, if not here, well, who knows where?

Mr. Speaker: I am sure the members wish to hear a few words from the member for Elgin.

Mr. McNeil: First, I want to thank the honourable members for their very kind words. I might say to the Treasurer (Mr. Nixon) that I did have a lot of respect for Mitchell Hepburn, because he was one of the most colourful Premiers this province has ever experienced and the only Premier who came from the great riding of Elgin. One of his greatest accomplishments was to bring an industry into Elgin that has served the people of Elgin for many years and will continue to do so, and that is the St. Thomas Psychiatric Hospital.

Hon. Mr. Nixon: That is available to everyone.

1350

Mr. McNeil: Who knows? That may be a future home for the present member. There are people who probably would think it should be.

I might say the members' words are very much appreciated. I shall always cherish the friendship I have had with various members of this House, regardless of political affiliation.

Members might be interested to know that the by-election was called by the then Premier of the province, Mr. Frost, on January 30, 1958, to fill a vacancy that had been caused by the death of Fletcher Thomas in November 1957.

I know many of us are experiencing some very difficult times in the agricultural economy at present. It is rather interesting to note that during that election campaign a new system for selling flue-cured tobacco had been developed and was being used for the first time in the riding of Elgin, as well as in Norfolk, the riding of the member for Haldimand-Norfolk (Mr. G. I. Miller). There were growers who were not very happy with the new system, there were buyers who were not very happy with the new system and the sale of tobacco was discontinued—really, it came to a standstill—during the by-election.

It is also interesting to note that Mr. Frost, as Premier of this province, had never experienced losing a by-election, and it very much looked as though we would lose that by-election. He called all the interested parties to Toronto. They came to an agreement, tobacco started to sell and, fortunately, there was a good organization.

As the member for Sarnia (Mr. Brandt) said to me one time, "You must have an excellent organization." I said, "We certainly do." He said, "It would take one hell of an organization to elect you to nine consecutive terms."

Mr. Brandt: On a point of order, Mr. Speaker: I want to make clear to my colleague that I said it would take a good organization. I did not use that other word.

Mr. McNeil: I apologize to the honourable member, because I know that profanity is one of his specialties and it is his second language.

As the Treasurer mentioned the other day, the services we enjoyed back in 1958 were not quite what they are today. As the Treasurer said on that occasion, Mr. Frost said that every member was entitled to a desk, and that desk was right here. It was not anything unusual to come into the House in the morning and see various members of all political parties dictating to their secretaries, who belonged to a pool. I do not recall ever having any filing system. I guess if a member had a filing system, he had to take it home, because there was no office space here for files.

Members might be interested to know that when I was first elected, there were nine Progressive Conservative members at the immediate left of the Speaker, and then there were a few Liberal members—not very many. There were three New Democratic Party members, and then there was solid blue there and solid blue over there. I have often heard people say something about the good old times. Those were good old times; I can tell members that.

One of the reasons for holding the by-election on a Thursday—and at that time, the date of the by-election was set by the Premier, not by statute—was that Mr. Frost did not like to have a by-election or an election on Monday, because it interfered with the housewives' washing. Wednesday was out because we had half holidays for businessmen. That left Tuesday and Thursday. Friday was out because otherwise the weekend would be upset.

The by-election was on Thursday, and the House went into session on the following Tuesday. At that time, members would be interested to know the member for Peel, who had been Premier of this province and Minister of Agriculture, the Honourable Colonel Thomas Kennedy, moved the speech from the throne, which was seconded by the father of the member for Cornwall (Mr. Guindon). I was going to say Stormont, but it is not.

Fern Guindon had been elected in September 1957 and was representing the riding of Glengarry.

ry. He was re-elected in 1959. Then, in 1963, he ran as our candidate in Stormont, which is now the riding of Cornwall, and was elected as the member for the riding of Stormont.

I remember when he was making his last speech as the member for Glengarry, he said it would be the last time he would have the opportunity to speak as the member for Glengarry, on behalf of the constituents from Glengarry, but he said, "Mr. Speaker, I will be back." He was back. At that time, that riding was held by a Liberal, who made a great contribution to this province and who has since that time served as a director of the Ontario Plowmen's Association with distinction.

I would also like to mention that when I arrived, the fathers of two members who are here now were members of the Legislature at that time. The father of the Leader of the Opposition was the member for St. Andrew. Now, of course, that riding is St. Andrew-St. Patrick. He had been elected as a member in 1955. The father of the provincial Treasurer was here as the member for Brant. He had been elected to the Legislature in 1919. He had a very distinguished career as a member of this Legislature and served here for 42 years.

I well recall at one time the provincial Treasurer's father was making a speech in the Legislature. While he was speaking about a rather controversial subject, something about liquor, the fire alarm went off and we had to evacuate the building. When he returned he said he had made quite a number of speeches in the Legislature, but that must have been the hottest speech he had ever made.

During those days, it is rather interesting that all the work of the Legislature was done in the Legislature. The estimates of the various departments were all carried out in the Legislature. We met at three o'clock in the afternoon, recessed for dinner and then went until anywhere from 10:30 p.m. to one o'clock or two o'clock in the morning. It just depended on how we were getting along with the work of the House.

Members might be interested to know that the salary was not that high in those days, but we were getting a room at the Royal York Hotel, as the Treasurer said, for \$5 a night, which was a pretty good rate. We were paid once a year, on March 31. We could make a draw before Christmas, if we applied for it, and most members did. I guess the reason was they thought we should have a very good Yuletide season. I will not tell the members how much the salary was, but it certainly—

Interjections.

Mr. McNeil: I think it was about \$2,600 a year with, I believe, \$1,300 for expenses.

Hon. Mr. Nixon: But you had to use it for expenses.

Mr. McNeil: It is rather interesting to note that in that first session the by-election was on Thursday, January 30, and the House opened on the following Tuesday. In that year, as some of the older members may recall, we had a very successful federal election on March 31. This House had adjourned 10 days before the federal election. At the time, it was always felt the session should take place during wintertime. I guess the preceding Legislature felt the same way. We always tried to get finished so that the farmers could be home for seeding. Those were the good old days.

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I will conclude by saying I feel very fortunate to have had the opportunity of representing the citizens and constituents of the great riding of Elgin for all these years. I realize I have been fortunate to have sat in this House. It is a great privilege for anyone to have the opportunity of serving as a member of this Legislature. I hope I may continue.

I have had the opportunity of serving under four Progressive Conservative Premiers—Mr. Frost, Mr. Robarts, Mr. Davis and the member for Muskoka (Mr. F. S. Miller). When the Treasurer was speaking, he mentioned I got married something like a year and a half ago. The member for Muskoka wondered whether I had become a father, and I can say I have not. I also now look upon it as a great challenge to be a member under the leadership of the present Premier (Mr. Peterson). He is very fortunate in the fact that his wife was raised in a very strong Progressive Conservative family.

Once again, I thank the members for their kind words and I look forward to the challenges that lie ahead.

PAPER MILL

Mr. McClellan: I indicated earlier I had a point of privilege to raise. I notice the Minister of the Environment (Mr. Bradley) has been in the House for some time and has not risen to his feet, so I will raise this matter of privilege. Yesterday, during question period, my colleague the member for Lake Nipigon (Mr. Pouliot) asked the minister a question about the status of negotiations with respect to Kimberly-Clark and specif-

ically asked him for an update as to where the situation was at this time.

In response, the Minister of the Environment said at about 2:45 p.m., "I assure the member that discussions have taken place and are continuing...." This morning the leader of the New Democratic Party, the member for York South (Mr. Rae), spoke to Jack Lavallet, president and chief executive officer of Kimberly-Clark of Canada, and confirmed a radio report that discussions between Kimberly-Clark and the government had ended yesterday morning around breakfast time during a breakfast meeting.

Whether the minister was misinformed or misinforming is not for me to say. The fact remains that the House was given false information yesterday in response to a question from a member of my caucus on a matter that affects the fate of about 1,600 jobs. When they ask questions of ministers, particularly when they ask questions of such urgency and seriousness, members of this assembly are entitled as a matter of privilege to receive factual answers from ministers of the crown. That did not happen yesterday.

Mr. Speaker, I ask for your guidance as to what we are to do about this situation.

Hon. Mr. Bradley: I can understand how the member would come to that conclusion. I want to inform him that when I answered that question in the House, I indicated that discussions were continuing and indeed they did continue. There was a further discussion that afternoon, a communication that was made with the company at that time. I would not ever want to give information that would not be accurate to the member for Lake Nipigon, who has a very special interest in this. In fact, communication did continue.

Mr. Rae: For the record, if the minister is not prepared to fess up to what has taken place, not only yesterday but also during the past number of weeks, he may choose to remain in his position, but I do not see how anybody in this House can seriously ask him questions and take what he says at face value. The answer he gave in the House was an answer that could only be construed as leading to a different conclusion from the facts as we now understand them from conversations we have had with other parties.

Ms. Fish: On the same point, I wish to associate this side of the House with the remarks that have been made by the New Democratic Party House leader and by the leader of the third party. It is perfectly clear that references to talks

having occurred and continuing lead to one possible conclusion, namely, that active discussions are under way, not that there is a communication one way that might occur some hours after the question has been answered when it is clear the discussion and negotiations have broken off. It is a very serious circumstance when a question of fact is answered in what is clearly not a factual way by the minister.

Hon. Mr. Bradley: If I may respond to the point of privilege—

Mr. Speaker: Order. The member for Bellwoods (Mr. McClellan) rose on a point of privilege. I allowed other members, including the minister, to respond to that point of privilege. Personally, I do not see that it is a point of privilege. As I understand it, you are almost asking the Speaker to judge whether an answer is incorrect. That is not the responsibility of the Speaker. I suggest and rule that it is not a point of privilege and the honourable member may pursue the matter in the normal course during question period.

Hon. Mr. Bradley: Well, Mr. Speaker—

Mr. Speaker: I have dealt with that matter. We are coming to ministerial statements. If the minister wishes to make a statement, he may.

STATEMENTS BY THE MINISTRY

THERAPEUTIC ABORTION SERVICES

Hon. Mr. Elston: Last June, Dr. Marion Powell, who is with us here under the Speaker's gallery, director of the Bay Centre for Birth Control and a well-known and respected physician in this province, was asked by my ministry to undertake a survey of therapeutic abortion services in Ontario.

I received Dr. Powell's report yesterday and today I am tabling it here in the House. I wish to thank Dr. Powell for the excellent work she has undertaken in researching and preparing this report for the Ministry of Health.

The report's recommendations involve many sectors of the health care community. Therefore, we will circulate it to groups such as the Ontario Hospital Association, the Ontario Medical Association, nursing associations, public health organizations and other interested parties. Likewise, the report will be available upon request to those who wish it.

Their input will be welcome as the ministry reviews Dr. Powell's recommendations.

HOUSING FOR THE DISABLED

Hon. Mr. Ruprecht: This government is committed to promoting the full equality and

participation of disabled individuals in all aspects of Ontario life. These goals were stated formally in the proclamation of the Decade of Disabled Persons. In the past 18 months, we have introduced various measures to encourage the integration of people with disabilities into community life.

The availability of suitable affordable accommodation is a key factor for many disabled people as they seek to lead independent lives as productive citizens. Currently, there are approximately 937,000 disabled adults in this province. They represent a full range of disabilities whether physical, psychiatric, sensory or developmental. As a result, the individual housing needs vary considerably.

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In addition, more disabled children are being integrated into the regular school system and being maintained in the community. Increasingly, parents are seeking assistance in accommodating their children at home. As the children grow towards independence, they too will expect a wide range of housing options.

Disabled persons require affordable housing, some require physical accessibility, some require design modification and some require support services. Today, as Minister without Portfolio responsible for disabled persons, I am pleased to announce a series of initiatives to increase and enhance housing programs to better meet the needs of disabled individuals, both now and in the future.

These initiatives will constitute a two-pronged approach over a three-year period. We will start by addressing immediate issues that have been identified. For the longer term, we shall be developing comprehensive strategies to increase the range of housing options available for disabled persons and their families in the community.

We are dealing with complex issues which cannot be resolved by any one ministry. Therefore, I shall be working closely with my colleagues the Minister of Housing (Mr. Curling) and the Minister of Community and Social Services (Mr. Sweeney).

In the short term, additional financial aid will be made available for home modifications for disabled persons.

Under the Ontario home renewal plan, the Ministry of Housing will increase the amount of loan assistance available to physically disabled home owners or those with physically disabled dependants. Eligibility for these design modification loans will also be broadened and the

expanded program will be operational early in the next fiscal year.

As an interim measure, the Office Responsible for Disabled Persons will provide a one-time grant of \$1.7 million in this fiscal year to the Easter Seal Society. The society assists many parents of disabled children with needed home modifications and this grant will alleviate the immediate demand.

Because it can be difficult to make modifications that take into account the changing needs of children as they grow, we are also giving a grant of \$200,000 this year to the Barrier-Free Design Centre to provide expert consultation to parents receiving the Easter Seal funding. The Barrier-Free Design Centre is a program of the Muscular Dystrophy Association of Canada.

At this point, I would like to welcome some guests who have joined us in the members' gallery: Howard Keast, president of the Easter Seal Society, Ian Bain, the executive director of the Easter Seal Society, Ms. Heather Snell, director of the Barrier-Free Design Centre, Bill Craig, chairman of the Barrier-Free Design Centre advisory committee, and Michael Ryan, executive director of the muscular dystrophy association.

I am delighted to have this opportunity to acknowledge the valuable work of these organizations in the area of accessibility.

To further increase housing options for disabled individuals, new funds will be allocated for modifications to rental accommodation. Revisions to the Ministry of Housing's low-rise rehabilitation program will enable landlords to modify existing private rental units for physically disabled persons. In addition, there will be an increase in that portion of the interest-free loan that is currently available to housing suppliers wishing to create fully modified units for disabled people under the convert-to-rent program.

We recognize, however, that for many disabled individuals attendant care is vital if they are to remain in the community. With the increase in accessible housing provided by the programs I have just outlined, we anticipate a further increase in demand for this kind of support. To meet this expected demand, an additional \$4.29 million over the next three years, beginning this year, has been allocated to the Ministry of Community and Social Services to enrich the attendant care program.

These are immediate steps we propose to take, and they are designed to address immediate needs. We must also develop strategies that will

ensure a suitable range of housing options for disabled persons in the future. To this end, we are embarking upon several other initiatives.

First, we intend to establish a network of information linkages between the providers and consumers of accessible housing. With funds from the Office Responsible for Disabled Persons, we will set up 10 housing registries on a pilot basis in locations throughout the province. The registries will be run by organizations of disabled persons with the assistance of the housing providers to assist disabled individuals in locating accommodation that meets their needs.

Second, we plan to disseminate information on a broad scale concerning the possibilities for independent living for disabled persons. This information will be targeted primarily at housing suppliers and disabled people to help each group become more aware of alternatives for housing.

To provide these suppliers with more detailed and technical information on accessibility, the Barrier-Free Design Centre will receive \$600,000 over three years to conduct specialized seminars and consultations on housing design.

Finally, as we seek a plan of action that will meet the needs of tomorrow, we will undertake a major research study. This will address the shortage of available data regarding the housing needs of people with a full range of disabilities. It will encompass a review of all existing programs and examine future need and supply trends.

These are the programs of this government.

INTERNATIONAL BANKING CENTRES

Hon. Mr. Kwinter: In my capacity as Minister of Financial Institutions, I wish to make a statement in response to yesterday's announcement by the federal government concerning proposed legislation designating Montreal and Vancouver as international banking centres.

This government is very concerned and very disappointed that Toronto, along with many other Canadian cities, has been excluded from these federal proposals. Clearly, this arbitrary move to distort Canada's financial marketplace brings no gain to the country as a whole. Any net benefit this subsidy might bring to Vancouver and Montreal would be cancelled out by the net loss to Toronto.

Yesterday, Mr. Wilson said, "Our proposals have sent a strong signal to the world that we believe in Toronto and have confidence in Toronto as one of the world's major financial centres." His statement flies in the face of logic and is certainly in direct conflict with the

message from Tom Wells, our Agent General in London. Mr. Wells, who has a more direct eye on the international marketplace, tells us:

"There is no clear understanding here in London of exactly what the federal government means when they say they are going to make Vancouver and Montreal international banking centres. External visibility of a vibrant Canada demands that everything be done to preserve the position of Toronto as the undisputed financial centre of Canada, and one that the world can relate to."

Mr. Wilson is sending confusing signals to the world markets at a time when Canada should be gearing up to face a rapidly changing and intensely competitive financial institutions sector. Toronto is a world-class financial centre. Any move that will decrease its reputation in international financial circles cannot be tolerated.

We are also concerned that the federal government's lack of consultation with this government—something it promised—combined with irrational economic planning has pitted city against city. As the Premier (Mr. Peterson) has noted, this issue has resurrected regional tensions that are unnecessary.

In addition, we must also question whether the federal government has seriously considered the implications this arbitrary tax subsidy will have on its free trade negotiations with the United States. I remind members we are discussing a tax subsidy to banks, who themselves are questioning the wisdom of this move.

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As I have already mentioned, there was a lack of full consultation on this issue and we are just now reviewing the federal proposals. Therefore, it would be premature to provide a complete response at this time.

We are considering a number of options. My ministry, in co-operation with the Ministry of Treasury and Economics and the Ministry of Industry, Trade and Technology, is currently developing a concerted response to this ill-conceived federal action. I can promise this government is committed to taking appropriate action which ensures the continued prosperity of our financial sector.

As the first order of today's business, I will be proposing to this Legislature a special resolution which reads as follows:

"That the Legislative Assembly of Ontario regrets the action of the government of Canada in ignoring Toronto, the established financial centre of the country, in its plans to designate

international banking centres, thereby distorting the national economy and unnecessarily provoking regional tensions; and that the assembly calls upon the federal government to correct this intentional omission by adding Toronto to the list of designated cities eligible for tax advantages favouring international banking."

RESPONSES

THERAPEUTIC ABORTION SERVICES

Mr. Andrewes: I want to respond briefly to the tabling of Dr. Powell's report and join with the Minister of Health (Mr. Elston) in thanking Dr. Powell for her report. It is done in some depth, and in a very cursory review, I find it quite responsible.

This is not an issue that can be resolved by a lot of political bantering. It is an issue that requires everyone in a role of public responsibility to accept that role and approach it with honesty and a conscientious effort and commitment to meet the requirements of people in this province within the laws of the country.

Our focus recently has been to give public hospitals in the province a greater role in community activity, and a very cursory review of Dr. Powell's report shows it is in keeping with that thrust. We look forward to joining with the minister and others in a full discussion.

INTERNATIONAL BANKING CENTRES

Mr. McFadden: The statement by the Minister of Financial Institutions (Mr. Kwinter) in connection with the international banking centres is yet another example of the government's right hand not knowing what its left hand is doing.

I do not think the minister is aware of or acknowledging in his statement the fact that at this time, the standing committee on finance and economic affairs has under way a study of the federal government's proposal. We have had extensive discussions on that committee. Last week, we had public hearings, and today we had public hearings at which the minister participated.

The committee is now moving on to prepare its final report, at which time we are going to look at all the options and all the implications of the international-banking-centre concept. It is clear that the action of the minister today in presenting a resolution makes a farce of the hearing process in this House. Why would the minister proceed with a resolution in this kind of haste when a committee of this House is undertaking a study of this right now with a full report to come in to this House in the next week or two, at which time this

House could act upon the report by resolution or other means?

Further to that, I should make clear, as we have in the past, our party's opposition to the federal government's proposal. We have, on balance, a very high regard for the capabilities of the federal Minister of Finance. Everybody can make a mistake, and it is very clear that the Minister of Finance has made a mistake in this case. This decision is not logical in view of the development of the financial-institution structure within Canada today. It is not a rational step, and therefore, we oppose it.

In the light of the announcement by the Minister of Finance yesterday, however, the decision to go ahead with this proposal is yet another example of the Premier (Mr. Peterson) failing to protect Ontario's interests. If we add softwood lumber to international banking centres, the score today in Canada is Vander Zalm 2, Peterson 0.

While we join the government in opposing the proposal of the federal government for international banking centres, we also wish to make it clear that is yet another example of this government's failure to protect Ontario's interests.

HOUSING FOR THE DISABLED

Mr. Shymko: I want to comment on the statement by the Minister without Portfolio responsible for disabled persons (Mr. Ruprecht). It is unfortunate and sad that in the light of the \$1 billion of windfall revenues in the coffers of the Treasurer (Mr. Nixon), such a miserable pittance of money is being offered to the Easter Seal Society for the assistance to parents of disabled children and that it is only a one-time grant. This party would want to see a permanent yearly grant of at least \$5 million.

We congratulate the representatives of the voluntary sector who are here and who have carried the brunt of this work. I am pleased to see there is a promise—not a delivery of money—of assisting those disabled who are home owners and who have been left in a vacuum over the years. There should be money allocated to the Minister of Housing to provide that assistance, not mere promises as indicated by the minister.

THERAPEUTIC ABORTION SERVICES

Ms. Gigantes: I have a word in response to the tabling of the report of Dr. Marion Powell on access to abortion services in Ontario. Dr. Powell, as has been her well-established habit in this province, has written a clear and direct

statement of the problem. She has told it like it is. She always has done that and she has done it again. The question now of course is, what is going to happen? Where is this government going to go after two years of meandering on the subject, two years after its promise of improving access?

She has told us that the referral process for abortion services does not produce timely and efficient service and that the service system does not provide optimal support for women. She has told us once again of the geographic inequities. In Ontario, 30 per cent of women do not even have access to an abortion service in their county.

She has told us the standard methods in use are costly in manpower in hospital facilities and there is inadequate counselling and support. She has told us there are cost barriers, from \$20 to \$500, for uninsured services, and that is before travel and accommodations costs women have to face. She has told us physicians and health care professionals want decriminalization of the federal legislation.

She has told us, and this has to be underlined, that hospitals are not now using the best in new medical procedures in providing abortion services. She has told us our system has failed. Everybody knew that before. She has told us poignantly, directly and clearly. Now what is the government going to do?

HOUSING FOR THE DISABLED

Mr. R. F. Johnston: I would like to respond to the announcement today by the Minister without Portfolio responsible for disabled persons. In late fall I brought to the attention of the minister, who seemed to be unaware of them, the problems of getting proper renovation of houses for the disabled in Ontario. He has recognized that there are almost one million disabled adults in this province, and yet in this announcement, he has given only a very small amount of money to assist them. He has not even told us what he is going to do to the Ontario home renewal program in terms of making it useful to disabled people, which it is not at the moment. We await the details before we applaud too loudly his response to the matters we raised while Mr. Hansen was here.

INTERNATIONAL BANKING CENTRES

Mr. Rae: I want to put the government on notice that I will be moving an amendment this afternoon to the government's motion with respect to the issue of international banking centres, stating categorically:

"That the Legislative Assembly of Ontario condemns the government of Canada's proposal to give further tax concessions to the banking community through its so-called international banking centres plan; and that this assembly believes that federal tax reform should benefit individual working Canadians and not further profit banks while exacerbating regional tensions in Canada."

I will be moving that amendment this afternoon and we will see which one carries.

The government of Ontario has clearly blown an opportunity. Here was a chance for the Minister of Financial Institutions (Mr. Kwinter) and the Premier (Mr. Peterson) to stand up for tax fairness, to stand up for working Canadians who see the banks often operating without paying their fair share of taxation. Instead, the Premier said, "There is a gravy train; I want to get on it." Instead, the Minister of Financial Institutions, in the first half of his statement, says his only regret with respect to the government of Canada's action is that Toronto is not part of this same gravy train.

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I would far rather we had a Minister of Financial Institutions who would say he was not interested in Toronto becoming Cayman Islands north, that he was not interested in our attempting to compete with Panama in our appeal for offshore banking activities and that he saw that this kind of ruse is a mug's game. Once you start to play that kind of game, every single country in the world begins to bid down and bid down, and ordinary citizens end up having to pay more and more taxation because the banks are not being taxed fairly.

The minister himself has said that a result of this legislation will be to produce more fleabag banks from the Cayman Islands in Toronto. That is not a social policy approach I want. It is not an approach we favour. Here was an opportunity to go across Canada and bring Canada together, all parts of the country, against this kind of tax ripoff. Instead, what is Toronto's position? What is the position of the Premier? His position was not that he was opposed to the notion of an international banking centre; his position was: "We want to be part of that action. We want to be part of that gravy."

I would far rather that Ontario stand up for all the ordinary taxpayers in this part of the world and in Canada and say, "No more ripoffs, no more special deals for the banks. Let us really stand up and bring the country together in the name of fairness, and not in the name of special

privilege," which is the approach the Premier has taken.

ORAL QUESTIONS

COUNTERVAILING TARIFFS

Mr. Grossman: I have a question for the Premier. The record on trade issues would show the following: He has lost on softwood lumber, he has lost on banking centres, he is losing on steel and he was unaware yesterday of the agricultural trade issues.

My question today relates to the Premier's ability and awareness on the question of trade issues. He said yesterday, "There is a large number of countervails going on against Canada at present." For the benefit of the members, could the Premier give us a short list of the number of countervails that are going on that he referred to yesterday?

Hon. Mr. Peterson: I cannot give the honourable member the specific number of legal challenges at the moment. As he knows, countervail is a long and complicated legal process. However, I do know there is certainly talk in a number of commodity groups that there are certain vulnerabilities; there is talk about lead, zinc, hydroelectricity and a variety of others. Certain groups in the United States have made indications that they may pursue countervail actions. Others are just at the talking stage; they may or may not develop.

As the member knows, the softwood lumber issue was fought out in the courts in 1983, and there was a different decision at that time. It is a question of hoping to anticipate what is happening and stemming it off if possible.

Mr. Grossman: Yesterday the Premier said, "There is a large number of countervails going on against Canada at present." He lectured us yesterday on the intricacies of the countervail system in Washington, which he professed to have some knowledge of. Today, in response to my question, he said he cannot give me the exact number, and he mentioned lead, zinc and hydro.

We checked this morning with the International Trade Commission, the International Trade Administration in Washington and the US relations division of the federal Department of External Affairs and found out there are currently no submitted petitions for countervail against Canada with the ITC and there is only one ongoing investigation, and that is in an area he has not yet referred to.

How can he therefore purport to have any sense of what is going on in Washington when he can stand up in this House, as he did yesterday,

and say there are a number of countervail actions going on against Canada, when the fact is that there are none?

Hon. Mr. Peterson: It just shows how successful we have been. What is the member so excited about if there are not any?

Mr. Grossman: We are excited about the fact that the Premier has been unable to understand the trade issues, that he has given the impression here that countervail actions are being taken when there are none, that the Treasurer (Mr. Nixon) stood up in the Premier's absence and implied that a trade action might be taken if his minister is finally allowed to do something to help Kimberly-Clark, that on all these trade matters there is no single Canadian politician who has given out more misleading and false information on the trade issue than the Premier has.

Mr. Speaker: Order. I hope the Leader of the Opposition will choose his words more carefully and withdraw the allegation he made.

Mr. Grossman: I withdraw the allegation that the Premier has misled anyone.

Mr. Speaker: And now the final supplementary.

Mr. Grossman: Carefully avoiding any suggestion that the Premier intentionally meant to give the impression yesterday that there was a large number of countervails going on against Canada in Washington, how can he reconcile the statement he made in the House yesterday with the reality that there is not one single countervail action going on against Canada at present? How can he reconcile those confusing statements and how can he purport to have any credibility on trade issues any more?

Hon. Mr. Peterson: How can my friend opposite stand and get so excited that we have not handled the issues very well? On the one hand, he is maintaining there is no problem; on the other hand, yesterday he maintained there is a problem. How can he reconcile the two points of view?

We are trying to anticipate these situations. There is a large number of bills in the United States Senate from a variety of different points of view expressing certain constituency interests. There is a lot of talk in industry that there may be suits. We are trying to anticipate that ahead of time. Frankly, I cannot understand the member opposite, who is now standing in his place and saying, "There is no problem and we do not have to worry about it."

TECHNOLOGY FUND

Mr. Gillies: I have a question for the Premier. The Premier may be aware that the board of directors of Exploracom held a news conference this morning in which some very serious allegations were made about the Premier and the way he does business. We would like to give the Premier an opportunity to respond to some of these. The directors of Exploracom, including Senator Keith Davey, Senator Jerry Grafstein, Ian Macdonald, Maureen McTeer and others, say the Premier changed the ground rules on this grant after it had been made.

I have two questions for the Premier. In the first instance, did he tell Exploracom that Ontario government funding would be committed to it on a matching-fund basis or did he not? Second, did he tell them this funding was coming from the technology fund or as a startup grant from general revenue?

Hon. Mr. Peterson: The answer to the first question is yes. I am not sure whether there was a specific discussion about which fund it would come from. Obviously, they were concerned about the revenues. As I recall, and I was not directly involved in these discussions, it did not concern them which particular pot it came from.

Mr. Gillies: This is a very important point because the directors are quite unequivocal in their contention that there was no discussion of matching funds when the grant was made. In fact, in the material that was released this morning, we now have the Premier's letter of May 28, 1986, which starts, and I quote the Premier, "Dear Abe...I am pleased to commit on behalf of the Ontario government a startup grant of \$17.5 million to help make Exploracom's vital nonprofit program a reality."

There is no mention here of matching funds. Mr. Schwartz and the other directors, many of whom the Premier knows well, would like an answer to this. Did he change the ground rules on this grant late in the game because of political pressure or has his word to this board been consistent from day one? I suggest they do not believe it has been.

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Hon. Mr. Peterson: I say to them and to the member's friends on the board, that our view has been consistent. We were concerned about two things, about the matching funds as well—

Mr. Rae: Your letter does not say that.

Hon. Mr. Peterson: That was not the contract. The contract was to be negotiated later on. They could not come forward on the

matching funds or the fact there would be an operating deficit for a long time.

Mr. Davis: A lot of people in Ontario are going to have trouble shaking your hand unless they have a contract.

Mr. Speaker: Does the member for Scarborough Centre (Mr. Davis) have a supplementary? No? Final supplementary, the member for Brantford.

Mr. Gillies: This is a very serious issue. For months we have questioned the Premier's judgement with regard to this grant. The directors of the project are now questioning the very integrity of his decision-making process. I quote from this release this morning: "Based on the Premier's commitment, suppliers were willing to extend credit to Exploracom. Now these creditors are owed approximately \$1 million and I"—that is, Mr. Schwartz—"have lost almost \$3 million, mainly from defaulted loans that I guaranteed on behalf of Exploracom."

The issue is one of simple morality. Can the Premier's word not be relied upon? Will the Premier in this House forthrightly respond to the charges being made that this group was misled, that the ground rules were changed on this grant and that he has now left the Ontario taxpayers open to millions of dollars of liability in this project because of his gross mishandling of it?

Hon. Mr. Peterson: I am delighted my friend opposite has taken up the cause of Exploracom now. Perhaps he has had a change in this regard on the road to his own personal problems.

The ground rules never changed in this matter. It was very clearly to be matching funding. After the analysis was made, there were concerns about the capacity to fund it on an ongoing basis. It was not a decision this government enjoyed making. We thought it was a good concept. Unfortunately, the financing did not come together. We were prepared to make a tough decision not to commit this government and the taxpayers to something that would be an ongoing drain.

FREE TRADE

Mr. Rae: I would like to take the Premier back to some questions I put to him yesterday, some answers he gave to me and some answers he apparently gave to the media outside. I understand from the answer he finally gave, after many repeated attempts on the part of those of us who had tried to elicit answers from him, that his current position with respect to free trade is as follows: he is in favour of free trade in so far as he wants to have unlimited access for Ontario

products into the United States but is opposed to free trade in any way that would relate to goods coming into Ontario.

I take it that was the position he expressed yesterday. It is a nice Alice-in-Wonderland wish list position. Is that the position he advocated when he was down visiting the various congressmen and senators in Washington? If that is his position, why should they take him seriously for more than 30 seconds?

Hon. Mr. Peterson: They take us very seriously there, because they recognize the size and the volume of our trade and they recognize Ontario is the largest trading partner of the United States, except for Canada. I repeat that we take a very pragmatic view of this situation. If, as the deal comes down the pike, it is in the interests of the province, then we will obviously look at it favourably.

If there is some method, for example, whereby disputes can be solved in an easier, more expeditious way, rather than going through this laborious process, that may well be constructive. We are not prepared to stand by and see the auto pact dismantled or a lot of the other claims that have been raised by some as the discussions have been taking shape.

I can tell the member, who is prepared to prejudge this entire matter, that there is not enough to judge at the moment. We are putting Ontario's interests and concerns forward publicly to the negotiators and everyone else who will listen.

Mr. Rae: The Premier is a politician. He knows all sorts of people come into his office from time to time making representations. He knows perfectly well that if somebody came into his office and said, "I am all in favour of free trade as it relates to my trading with you but not as it relates to your trading with me," he would not give them the time of day. He knows that perfectly well.

Specifically, he mentioned the auto pact. Can the Premier tell us, when Clayton Yeutter said to him, "I cannot guarantee that the auto pact will not be on the table"—I understand he did because this is the story the Premier subsequently told the press—did he tell Clayton Yeutter clearly and categorically that if the auto pact is on the table, Ontario will veto any such agreement?

Hon. Mr. Peterson: They are very well informed of Ontario's position in that regard and they know where we stand on the issue. I expressed my view on the auto pact to Mr. Yeutter and everyone else we chatted with on that occasion.

Mr. Rae: The Premier did not answer the question. He has spoken in this House about a veto. He has spoken outside to the press about a veto. I want to know if he specifically told Clayton Yeutter, the chief trade negotiator for the United States, in the conversation he had with him this week in Washington that he, David Peterson, the Premier of Ontario, would veto any agreement which affected the auto pact between Canada and the US. Yes or no?

Hon. Mr. Peterson: I am not sure I put it in exactly those words, exactly as the member said it.

Mr. Rae: Uh!

Hon. Mr. Peterson: What does that mean, "Uh"? Are they sick or what is the problem with them over there? If they have a problem, there is a washroom just down the hall.

I know my honourable friend would want to go and thump on the table, hoot and holler and he would be taken seriously there, about as seriously as he is taken here in this regard. They know very well the provincial powers in this matter. We discussed the questions of ratification and provincial influence. We explained to him that the provinces, in our view, would have a veto over the implementation of any trade pact. I explained to him the importance of the auto pact to Ontario.

I believe he is a bright enough man that he can put two and two together. That is not always the case with everybody I deal with in this House.

Mr. Rae: I think I heard a no. I think the Premier said he did not refer directly to his power, which he brags about everywhere.

Mr. Speaker: Order. Did the member have a question? For which minister?

PAPER MILL

Mr. Rae: Yes, I have another question for the Premier. Yesterday the Minister of the Environment (Mr. Bradley) told the House quite explicitly that there were discussions ongoing between Kimberly-Clark and the government. His words were that these discussions "have taken place and are continuing."

This morning I spoke with Mr. Lavallet, the president of Kimberly-Clark, who, first of all, told me he was not dealing with the Minister of the Environment, he was dealing with Mr. Carmen. That was who he was told to deal with. He was no longer dealing with the minister.

When we are dealing with a control order, which is a serious power of the Minister of the Environment, can the Premier explain why it is

that Mr. Carmen and not the Minister of the Environment is in charge of this problem?

Hon. Mr. Peterson: It is a complicated issue, as the member will know. It deals with a number of issues including jobs and environmental questions. The minister is in full carriage of this situation and he is right. There have been ongoing discussions on this matter, and again today on this subject. If Mr. Lavallet is not part of them, that is his problem, not ours. I can tell the member discussions are ongoing. The minister is absolutely right.

Mr. Rae: I had a conversation with Mr. Lavallet in which he also indicated there was a discussion during a breakfast meeting yesterday morning in which, as he put it, "The government put its position and we put our final position and we told the government that was our position and the next thing we would discuss would be after the government indicated publicly what the control order was." In other words, there were no more discussions.

Will the Premier explain to the House the following: Is it Mr. Lavallet who is telling the truth when he says that is what took place and there were no more substantive discussions between the parties after that meeting, or is it the Minister of the Environment who is telling the truth when he tells the House that discussions are continuing?

Hon. Mr. Peterson: I tell the member flatly there were conversations I personally know of after that meeting he talked about. There have been conversations today. The Minister of the Environment is telling the truth.

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Mr. Rae: All I can say is that it is an absolutely bewildering and baffling way in which to approach a problem.

Can the Premier explain to the House how the following facts are possible? The company thought—and Mr. Lavallet repeated that thought again this morning—that a control order had been agreed upon some two weeks ago. As far as he was concerned, that had the approval of—as he put it—the government. Subsequently, the Minister of the Environment was taken off the case. Subsequently, discussions took place and according to Mr. Lavallet, as far as he is concerned, in substantive terms those discussions were completed yesterday morning.

Can the Premier explain why anybody in this Legislature or, indeed, outside should take the Minister of the Environment seriously when he says discussions are taking place and, according

to the company, they are not and when he is not the person responsible for implementing the Environmental Protection Act of Ontario? Can he tell us why anybody would take his minister seriously? Does the Premier not recognize that he, by his action, has put his minister in an untenable position with respect to this question?

Mr. Speaker: Order.

Hon. Mr. Peterson: I will tell the member why they take him seriously: because he is the most effective environmental minister in North America. That is why they take him seriously.

I stand in this House and tell the member—and I know the member would like to make a big deal out of this, and he can quote his good friend Jack Lavallet, if he wants to—that I know for a fact that there were discussions subsequent to that breakfast meeting. I know for a fact that there were discussions today. If Mr. Lavallet is not aware of all those, that is his problem. Let the member ask him about his influence at Kimberly-Clark, but let him not ask me about the influence of the Minister of the Environment, because he is clearly in charge.

Mr. Pope: Bob Carmen thanks the Premier for his vote of confidence.

Mr. Speaker: And the question is to which minister?

COUNTERVAILING TARIFFS

Mr. Pope: My question is to the Premier and it relates to his rainbow tour of Washington, which frankly was not an incredible success. Since he has not bothered to make a statement of full explanation to the people of this province or to the members of this Legislature with respect to his activities and discussions down there, we will have to continue to try to extricate it from him during question period.

Hon. Mr. Peterson: Sure, go ahead.

Mr. Pope: Sure, because he does not want to make a statement to the workers of this province who are affected by his meanderings around Washington.

Mr. Speaker: Order. That is quite enough preamble. Could the member please place his questions?

Mr. Pope: During the course of his discussions in Washington, did the Premier raise the iron ore issue in the context of steel discussions? If so, with whom, when and what position did he take? Did he discuss the problems of confronting the forest products industry? If so, with whom and what position did he take? Did he discuss the

problems of the auto workers of this province with a 12-month notice—

Mr. Speaker: Order. Would the honourable member take his seat?

Hon. Mr. Peterson: We discussed all those issues with a variety of players. Some were interested in those issues and some were less interested. The congressmen particularly in the United States who have a constituency relationship with a commodity group are obviously more knowledgeable about that than others.

We talked about the interrelationships of the steel companies, the ownership of iron mines in the US, the fact that for every dollar we export we purchase \$1.26 from the US in coal, iron and other commodities, the relationship among those too, and how it would be a very serious mistake, in our view, for the US to enter into a new round of protectionism that interfered with this trading relationship, which has been fair and which has not been subsidized from this side of the border.

The member asked me other questions. They were put with Senator Heinz and a number of other people—Senators Bennett Johnston, McClure and others on the energy committee—Senator Bensten as well. We discussed also with Mr. Baldrige and Mr. Yeutter some of the problems the administration is having with the Congress at present. As the member knows, it is an unwieldy system in the US. It is not the individuals but the system that drives the government. Indeed, it is a system of special interests. Our concern was to get to those special interests and try to build coalitions for the Canadian point of view on all the subjects he and others have named.

Mr. Pope: The workers in these industries in this province are entitled to a detailed explanation from their Premier about specifically whom he met with and what positions he specifically put on their behalf.

I have asked the Premier about the forest products industry and the iron ore industry. I have asked him about the potential notice under the auto pact of a 12-month period of time for renegotiation and perhaps an end to the auto pact, quite separate and apart from the trade discussions going on between Canada and United States.

He has not given any details about what positions he took on behalf of Ontario workers. They are entitled to that explanation. They are entitled to know what their Premier said. It is not good enough for him to go down there and say that he does not understand the system, that it is a sausage factory. He has an obligation to help the

workers. What did he say on their behalf in Washington?

Hon. Mr. Peterson: If the member had been in the House a little more often, perhaps he would know of the things I have been saying, because I said exactly the same things there that I have said here for a long time. There is nothing new about my position on steel or softwood. I know he is somewhat familiar with that discussion. It has gone on for months in this country, as has the discussion on the auto pact.

He asks about the workers of this province. The workers are probably a little more sophisticated in their understanding than the member is. He has this tendency, perhaps for some political reason, to try to oversimplify this thing into a little win-lose situation or to personalize it in some way. My guess is that the workers of this province understand our position a lot better than he does, and they have a lot more faith in our ability to carry out their interests than they do in his.

THERAPEUTIC ABORTION SERVICES

Ms. Gigantes: My question is of the Minister of Health. We have a report now from Dr. Marion Powell, which has taken six months to produce. The quality of the report is high. It tells the government what it knew two years ago when the future Premier was announcing policy on the availability of abortion service for women in Ontario.

It tells us about the lack of an efficient service, the problems with referrals, the lack of support for women, the geographic inequities and the cost barriers that exist. It tells us once again that the medical professionals involved feel that we have to have a change in our law and that we are not providing the best in medical procedures for women seeking abortion services.

What is the minister going to do and when is he going to do it?

Hon. Mr. Elston: The honourable member knows that the report was just received. Like her, we are now intent on analysing it very thoroughly and reaching out to the various groups that assist in delivering therapeutic abortion procedures around the province.

I will be accepting her input with respect to recommendations she may wish to give, along with that of any of the members and all the people who are engaged in and who plan for the health care community around the province. We look forward to a thorough review and analysis of the report and input from all the people in the province on a very sensitive issue. We will then

be making recommendations, I hope, in a very short time.

Ms. Gigantes: It is galling to listen to the Minister of Health tell us that he would welcome our input. He knows we have party policy on this to which we have stuck since before the election of 1985. Whereas his party has not been able to come up with an implementation process for its policy, we have always taken the position that there should be no more prosecutions on this subject and that we should provide clinical services for women who need them, because hospitals in this province are not doing it.

What is he going to do? What is he going to get from the hospitals of this province that he has not had before? Fewer than half of them have even established active therapeutic abortion committees. How is he going to provide access? How long do women have to wait? Are we going to have a policy? Are we going to have programs that really work for women?

Mr. Speaker: Order. Response?

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Hon. Mr. Elston: The report is here. We are reviewing it. We will review it with dispatch. This party does not plan for the health care needs of this province based on the date of a writ, either imagined or otherwise. We will move with dispatch. We will accept the input we are getting on the terms of this report. We will move with dispatch, and I welcome the member's suggestions with respect to this report, which deals with the existing circumstances under which we perform therapeutic abortions here in Canada under the auspices of the Criminal Code. We will welcome the member's input.

Mr. Speaker: New question. The member for Brampton (Mr. Callahan).

Mr. Rowe: On a point of order, Mr. Speaker: I believe the member for York East (Ms. Hart) wanted to ask about this government's mis-handling of the Torvalley brickworks issue.

Mr. Speaker: That is not a point of order.

LOTTERIES

Mr. Callahan: My question is of the Minister of Consumer and Commercial Relations. A short time ago, a number of advertisements appeared in the various newspapers suggesting that information could be obtained with reference to picking accurate Lotto and Lottario numbers.

Subsequent to that, on CBC's Marketplace, a number of these ads as well as the material that was received as a result of sending away for it, together with a number of books that were looked

into, were all found to be of no value whatsoever. The cost of these was anywhere from \$25 to \$50. Would the minister have his staff take a look at those advertisements to determine whether they are in accord with the restrictions that are provided in legislation?

Hon. Mr. Kwinter: I will be very happy to take the honourable member's advice and have my staff look into it.

Mr. Callahan: After the minister's staff has had an opportunity to review it, would he confer with the Minister of Tourism and Recreation (Mr. Eakins) with a view to perhaps notifying people if it turns out that these periodicals and advice are of no value?

Hon. Mr. Kwinter: I can assure the member that after we have had a chance to look at it, and after I have conferred with the Minister of Tourism and Recreation, I will report back to him.

PAPER MILL

Mr. Grossman: I have a question of the Premier on the Kimberly-Clark issue. Now that we are in a situation where Kimberly-Clark says there are no negotiations going on, and the Premier says Mr. Carmen is having negotiations, can he inform the House specifically with whom Mr. Carmen is having his negotiations at Kimberly-Clark? Second, is the problem in the negotiations that Kimberly-Clark is asking for more money than the government is prepared to give or a looser control order?

Hon. Mr. Peterson: Yesterday, Mr. Carmen, as one of the people involved, as many are involved in the situation, talked to a lawyer with Kimberly-Clark. I cannot tell the member the lawyer's name off the top of my head. I believe he is from Dallas, or perhaps Atlanta or somewhere like that.

There are a number of issues outstanding, including the control order and the technical capability of meeting that. There is some question over the technology and those types of things. Those are what the ongoing discussions are all about.

Mr. Grossman: With 1,600 jobs at stake in Terrace Bay, I would have thought it might have been appropriate, first, for the minister to be dealing directly with the president of the company and not his Mr. Carmen, a civil servant, dealing with a lawyer from Atlanta.

Second, I would have thought that since Mr. Carmen works for the Premier, and not for the minister, he might have had this information

from Mr. Carmen and been able to tell this House specifically the status of the negotiations.

Given the fact that he was able, without this sort of difficulty, to come up with a total of \$95 million to Toyota and Suzuki, grants we support to create new employment in southern Ontario, what is the major difficulty here with finding somewhere up to \$20 million in negotiating with Kimberly-Clark to save the jobs and clean up the environment? What is going on in the negotiations? Are there different rules?

Hon. Mr. Peterson: That has never been a big hangup. We have been discussing all the options, including governmental participation, and if so, in what form. A number of highly technical questions are being discussed as the best way to solve the ambitions we have. Both things are being discussed. It should come as no surprise to the honourable member that those discussions are ongoing. Because it is such a complicated question, as I said, a variety of people are involved in the discussions, and the minister has carriage of it.

TECHNOLOGY FUND

Mr. Philip: I have a question of the Premier concerning the Exploracom Computer Exploration and Enterprise Centre. Is it not fair to say that the Premier made a commitment of \$17.5 million of the taxpayers' money to his one-time friend Abe Schwartz, without any structures in place or any mechanisms to safeguard the taxpayers' purse; and that, seeing that Abe Schwartz and the whole deal are a political liability, he is trying to cut his political losses purely to save himself from political embarrassment? Is that not why the deal is off?

Hon. Mr. Peterson: No. We have a responsibility to the taxpayers and we have exercised it in that regard. It is no different from any other announcement of a grant to the International Telecommunications Discovery Centre in Brantford or anywhere else. Certain preconditions have to be met in terms of matching funding, ongoing financing and other things, and unfortunately, they were not forthcoming.

Is the member telling me we should go ahead or not go ahead? What is he telling me? If the honourable member has some advice, I would be happy to hear it.

Mr. Philip: The difference was that there were no structures in place, unlike any grants to any other organization when the Premier gave his son Abe, whom he has now put up for adoption, his \$17.5-million commitment.

Would it not be fair to say that Abe Schwartz would be justified in saying, having experienced what has happened here and the reasons concerning why the project was cancelled, which he says are completely wrong, that if the Premier were in Abe Schwartz's shoes, he would say, "With friends like Premier Peterson in high office, you do not need any enemies in this province"?

Hon. Mr. Peterson: I do not expect Mr. Schwartz to like what we do, any more than I expect that member or the members opposite to like what we do. Those are the joys of governing and making some difficult decisions. I got no joy out of making it. I thought it was a good concept. If certain parts of it can be resurrected in the future, I will be delighted; but then we have a responsibility to the taxpayers as well.

I am sure my honourable friend, who has been such a watchdog on public expenses over time, if he knew all the facts, would agree with the decisions that have been made. We were not prepared to get into another Minaki Lodge situation. We were prepared to look at this objectively, hard as it was. I regret doing what we had to do, but it was a responsible decision, and the honourable member opposite, if he knew the facts, would agree with me.

GASOLINE TAX

Mr. Rowe: I have a question for the Treasurer. As the Treasurer will know, there is a quaint little service station at the corner of George Road and Highway 5 in his home town, affectionately known to the members of this House as Earl's Shell. Can the Treasurer tell us how far it is from Earl's Shell to his office at Queen's Park?

Hon. Mr. Nixon: Actually, it is the corner of Branchton Road and Highway 5. I believe it is about 62 miles—pardon me, 105 kilometres or something like that.

Mr. Rowe: I would like to be able to congratulate the Treasurer for his knowledge of distance. However, it is actually 118 kilometres from Earl's Shell to Queen's Park. That is just about the same distance that 4,800 commuters from Barrie travel to work in Toronto five days a week. It costs these ordinary citizens \$14,198 a week, or \$728,000 a year, as a result of his decision to peg provincial gasoline taxes at 8.3 cents a litre.

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When is the Treasurer going to share this tax windfall with the working people of Barrie and the rest of the people in Ontario? When is he

going to stop gouging the people of this province and give back some of that excess tax?

Hon. Mr. Nixon: I do not know what kind of a car the member drives if it costs him \$14,000 a week to come to work. I do want to tell the member that the revenues from gas tax are almost exactly what they were predicted to be in the budget last year. It is one of the revenues that has not grown. As a matter of fact, it is down a bit because of the efficiency of the automobiles. There is no extra windfall revenue connected with the gasoline tax. It is precisely as approved by this House using its democratic prerogatives.

PLANT SHUTDOWN

Mr. Mackenzie: I have a question of the Premier. A few moments ago, I heard him indicate he thought the workers were sophisticated enough to understand just what was happening to them in certain circumstances. Can he tell the workers at Kirsch-Cooper in Woodstock what is happening to them and what he might do about it? These are workers who have 30 and 40 years' seniority in that plant, which was a viable operation that had been there since 1921. It was bought out five years ago and now it has been shut down and sold with the minimum benefits necessary given to the workers.

What is the Premier going to tell the better than 200 workers, their families and friends from neighbouring plants, who demonstrated in front of that plant yesterday? While he is at it, will he take a look at the petition they are sending him with more than 1,000 names from the workers in Woodstock?

Hon. Mr. Peterson: I am not familiar with that situation. I appreciate the honourable member's bringing it to my attention. Is that news of yesterday? I am sorry I am not aware of it, but I will certainly look at it. I do not know the circumstances. Obviously, we will assist in any way we can.

Mr. Mackenzie: This is one of the plants I mentioned in the House two weeks ago. As of February 2, workers, in some cases with as much as 30 and 40 years' seniority, will not have a job any more. These workers are in a plant where, since it was bought out five years ago, some of the more profitable lines have been systematically shipped out, until it could be said the plant was no longer profitable and now it has been shut down. It is the same firm that shut down the Gardner-Denver plant two or three years ago. These workers want to know what the Premier is going to do in terms of justification and

protection of workers in this kind of piracy by the corporations.

Hon. Mr. Peterson: I thank the member for sending me the petition. I will look into the situation immediately and see whether there is anything we can do about it. The member makes a number of allegations about the nature of the corporate behaviour. We will look into every aspect of them.

COMMUNITY ARENAS

Mr. Offer: I have a question of the Minister of Tourism and Recreation. There has been a recent report of the existence of carbon monoxide in some recreational arenas in Ontario. Given the many thousands, if not millions, of people who avail themselves of the use of these arenas, I wonder whether the minister can inform the House what actions he is taking to make certain the arenas are safe for the use of the people of this province.

Hon. Mr. Eakins: The question of safety problems caused by carbon monoxide was highlighted last evening in a television program. As part of my commitment to safety in sport and recreation in Ontario, I have been working closely with the Ministry of Labour and the Ministry of Health to ensure a safe indoor environment in our ice arenas.

We have produced, jointly with the Ontario Arenas Association, a training manual and a slide tape show called, *Air Alert: Toxic Gases in Community Arenas*. The training package will be used by the Ontario Arenas Association to inform its members of the potential problems of carbon monoxide. I am confident as a result of our actions that the indoor ice arenas across Ontario will continue to provide a safe environment in which everyone can participate.

MINISTER'S TRIP

Mr. Rowe: I have a question for the Minister of Tourism and Recreation: can he tell us how long it takes on average to respond to questions placed in Orders and Notices by members of this House?

Hon. Mr. Eakins: In regard to responses to questions, I can tell the member from my 11½ years in the House that responses from our ministry and this government have been much superior to what we received in the past.

Interjections

Mr. Rowe: Let us give the other side a lesson on the minister's response. I am not surprised at the guffaws from my colleagues on this side of

the House. On February 6, 1986, the member for Burlington South (Mr. Jackson) asked him to explain the purpose of a trip he made to Dallas, Texas, in the dead of winter. The copy of the correspondence on that legitimate inquiry landed on my desk on January 21, 1987. Is that good response time?

Given that the minister had almost a year to prepare his response, can he tell us today whether he had any success in convincing a major development corporation in the south to invest in the province or was this simply a short jaunt to the sunny south at the taxpayers' expense?

Hon. Mr. Eakins: If I were in the member's position, I would get rid of my research people because I have never been to Dallas in the dead of winter. Second, I am sure the result of that visit will see some very important work here in Ontario from some companies that want to locate here.

ENVIRONMENTAL ASSESSMENT

Mrs. Grier: I have a question for the Minister of the Environment. It is not about Kimberly-Clark; it is about a very straightforward and uncomplicated campaign promise. As I pointed out to the House yesterday, during the election campaign, the Liberal Party responded to a questionnaire from the Project for Environmental Priorities indicating that it supported extending the Environmental Assessment Act to private projects. Will the minister tell the House whether he supports that position?

Hon. Mr. Bradley: I have received the report and found it to be most interesting. As the member will know, it deals with a number of issues related to the environmental assessment process and the Environmental Assessment Act. I think the issue she has isolated is appropriate. She has isolated its application to the private sector, but she will know that a number of other recommendations have been made. I am certainly willing to read the report and to determine those parts of the report we can implement at the earliest opportunity and those that we cannot.

The one the member has mentioned specifically, which, as I indicated, is appropriate, will be given very serious consideration as to how many and to what kind of projects it might apply. The principle the member draws to the attention of the House is indeed one I find supportable.

Mr. Grier: The minister anticipated my supplementary question. I had not mentioned the report in my first question. I merely asked him whether as minister he now was supporting the position he took before he was elected to this

House. I gather he does. I would therefore like to say to the minister that surely he agrees that, without the extension of the Environmental Assessment Act to private projects, we have the ludicrous situation in Toronto of a city energy-from-waste plant being subject to an environmental assessment and a private project just down the road not being subject to an environmental assessment.

Can the minister make a commitment today that before the end of this session he will have moved to implement that campaign promise and the recommendation of the report he received yesterday?

Hon. Mr. Bradley: First, I am not at all certain when this specific session will end; I have some idea when that might be. I want to indicate to my friend the member for Lakeshore and to her leader and to my friend the member for Bellwoods (Mr. McClellan) that, as she knows, in receiving a report of this kind from a group that has taken a good deal of time to look at all aspects of the Environmental Assessment Act, I would want to be able to respond not specifically and only to the issue she appropriately raises but also to a number of other issues about which I think she shares my view that they are important in terms of streamlining the system and making it more effective. We will move as expeditiously as possible.

My friend the member for Riverdale (Mr. Reville) has a specific interest in the other matters to which the member refers. I hope to have an answer for him very soon.

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DETROIT INCINERATOR

Mr. Mancini: I have a question for the Minister of the Environment. I would like an update of the very serious matter concerning the construction of an incinerator in the city of Detroit without proper pollution equipment. The people of Essex county fear that much of this pollution will move across the Detroit River to Essex county. What has the Minister of the Environment done in terms of negotiating with the city officials and with the state of Michigan in this very important matter?

Hon. Mr. Bradley: This has some history, as the member will know. I will spare members of the House that history this afternoon. I know they will be relieved.

I do want to indicate to the member that the discussions I have had—in fact, I have had discussions this week—with the mayor of the city of Detroit will be continuing. In a meeting with

the mayor of Detroit, I drew to his attention the very strong feeling of Ontario that what we consider to be the best available technology should be placed on the incinerator Detroit has chosen to construct. As the member may be aware, that would involve scrubbers and what are referred to as bag houses. Instead, they have decided to have what they call an electrostatic precipitator placed on the incinerator and they feel that will do the job.

As they always say in diplomatic language, there was a full and frank discussion between the two of us. It was a friendly meeting, but I think the mayor of Detroit, both in terms of the information provided in written form and in person, is well aware of the Ontario position and knows we will pursue this matter vigorously.

Mr. Mancini: In view of the fact that we have had a number of meetings with the mayor of Detroit, and with the governor of the state of Michigan, and in view of the fact that the city is now proceeding and has poured concrete for the construction of this incinerator—they are moving forward whether we have diplomatic discussions or not and they do not seem to be listening—I want to know whether the Minister of the Environment is prepared to pursue the matter in the courts to protect the people of Essex county.

Hon. Mr. Bradley: The consistent answer to that is that we are prepared to do so, based on the fact that we have not seen an initiative from the other side of the river yet which tells us we would see a change in the construction of the incinerator. I have indicated publicly, both through the news media and directly to individuals on the other side, that we will be pursuing a legal route if there is not a political answer.

The member may be aware that the state legislature will soon be having its state of the state speech, similar to our throne speech. I am hopeful we may see an answer to this in that initiative on the part of the state of Michigan. If that is not forthcoming and if the city's position does not change, we will be pursuing a court action. This matter has been discussed with a number of people in the legal profession.

Mr. Pope: In other words, the minister has failed the people of Essex county.

COUNTERVAILING TARIFFS

Mr. Pope: My question is to the Minister of Industry, Trade and Technology, who by now will have been briefed by trade officials about his Premier's visit to Washington. Since the Premier has refused to answer specific questions and provide specific details about the actions he took

on behalf of the auto workers of this province, the steelworkers of this province, the iron ore miners of this province, the bush workers of this province, or the pulp and paper workers of this province, can the minister respond now to the question put by the Leader of the Opposition (Mr. Grossman) earlier this week?

Will he give details now to this House as to what efforts were made between October 1986 and the Premier's visit with respect to the steel question and will he table those documents by Monday noon?

Hon. Mr. O'Neil: I thank the honourable member for the question. I believe the Premier (Mr. Peterson) has given him full answers on those items, as I have. I mentioned to him that meetings have been going on for some time now among the Ontario government, the Canadian government and the government of the United States.

Mr. Pope: This is the same minister who said on softwood lumber that all the action had been taking place in Ottawa and Quebec City. We are entitled to an answer. There are too many jobs at stake. We want to know in detail, and we want him to table by Monday, specifically what contacts there were with the American authorities, what meetings took place, the minutes of those meetings and who was there. We are entitled to know that and so are the workers of this province. The minister should get off his duff and start behaving like a minister of trade.

Hon. Mr. O'Neil: I believe the member should consider himself very lucky to have somebody of the calibre of the Premier of this province, who is looking after it so well.

Interjections.

Mr. Speaker: Order. The member for Cochrane South has had a question and a supplementary. We will just wait.

AFFORDABLE HOUSING

Mr. Philip: I have a question for the Minister of Housing stemming from the standing committee on public accounts inquiry into the convert-to-rent program, particularly the Harbourfront project in which he seems intent on pouring millions of dollars into Huang and Danczkay and its lobbyist, Ivan Fleischmann. Is the minister aware that by the most conservative estimates, the cost per unit for 15 years of geared-to-income apartments at Harbourfront will amount to about \$195,000, that after that 15-year period the government will have nothing to show for it and that it will convert back to the private developer

who built it. Does he consider that good use of the taxpayers' money?

Hon. Mr. Curling: The convert-to-rent program is doing very well around the province. Although the member would like to hear that 100 per cent would be rent-geared-to-income units, the program is not geared that way. It is to get low-income people and graduated market rent facilitated and accommodated in those projects. I think the convert-to-rent program could need a little more fine-tuning as we go along, but it is doing very well as it is now.

Mr. Philip: With the average unit renting on the market at \$712, that is really family housing, is it not? Is the minister aware there are approximately 25,000 families on the waiting list for geared-to-income housing? Does he feel that spending more than \$24 million to give gold-plated accommodation merely to 125 families for 15 years is the responsible way of solving the housing problem in this province? Is it responsible to the taxpayers?

Hon. Mr. Curling: The member gives the impression that this is the only housing program we have in the Ministry of Housing. We have spent \$500 million in this fiscal year to adjust the housing problem here. We have other programs. I just announced 6,700 nonprofit rental housing projects. I recently announced an approval about 900 of those hard-to-house in our 3,000 projects. If my figures are right, and I could be corrected, since I have been Minister for Housing I have approved 25,000 units in all the different programs. For him to narrow his criticism to the convert-to-rent program and say that is the way we address the people who need accommodation he is right, there are 30,000 people on the waiting list, but there are quite a lot more whom we do not even have on the waiting list so we would do better to address those needs as we go along.

1530

RECREATIONAL COMPLEX

Mr. Barlow: I have a question for the Minister of Tourism and Recreation. During the latter part of May 1985, St. Gregory's Roman Catholic church in Cambridge made application to his ministry for a 1986 capital program for new recreational facilities. They wanted to build a senior citizens' recreational complex. They did not receive a response to their application until September 1986 when, disappointingly, the ministry said it was not able "to approve this application for this year," that is last year.

St. Gregory's had hoped to break ground very early in the spring of 1987. Can the minister

please inform this House when funding for capital projects of this sort will become available?

Hon. Mr. Eakins: The time lag had to do with the fact that once the applications go out, it takes time to reassess them and place them in priority. Unfortunately, that project was not able to go forward at that time. In the very near future, I expect we will be able to discuss and perhaps announce a new program. They will be able to apply at that time.

Mr. Barlow: Will that announcement be made early, in time for the next fiscal year?

Hon. Mr. Eakins: We always announce our programs early. The member will know that in 1983 the program was frozen. There has been a great backlog because the previous government froze the program. We started the program again with some \$15 million, but there was a great backlog. We hope to be able to address that in the very near future.

PETITIONS

DIALYSIS UNIT

Mr. Warner: "To the Honourable the Lieutenant Governor and the Legislative Assembly of Ontario:

"We, the undersigned, beg leave to petition the parliament of Ontario as follows:

"That the Ministry of Health respond to the need for a renal dialysis unit at Scarborough General Hospital, since no such unit exists between the city of Toronto and the city of Kingston."

It is signed by 224 people, and this is the first of many, until we get the unit.

SERVICES FOR CHILDREN

Mr. Andrewes: I have a petition signed by some 370 residents of the riding of Lincoln.

"To the Honourable Lieutenant Governor and the Legislative Assembly of Ontario:

"We, the undersigned, beg leave to petition the parliament of Ontario as follows:

"We, the undersigned, feel the Ministry of Health of Ontario is unfairly discriminating against the children of Lincoln county. Not only has the ministry stopped the funding for emergency ambulance transportation for our critically ill children, but the ministry has also cut down on the funding for post-graduate paediatric studies.

"This is no way to ensure a healthy tomorrow. We feel that the ministry should look after our children better. After all, they are the future."

ICE FISHING

Mr. Runciman: I have a petition addressed to the Lieutenant Governor in Council in respect to the uninformed and arbitrary action of the Minister of Natural Resources (Mr. Kerrio) in banning ice fishing for lake trout in divisions 9 and 10. It is signed by more than 300 sports fishermen in Leeds and Grenville.

MOTIONS

COMMITTEE SUBSTITUTIONS

Hon. Mr. Nixon moved that the following substitutions be made on the select committee on the environment: Mr. Eves for Mr. Shymko, Mrs. Marland for Mr. Gillies, Mr. McGuigan for Mr. Sargent, Mr. G. I. Miller for Mr. Reycraft, Mr. Partington for Mr. Baetz.

Motion agreed to.

COMMITTEE SITTINGS

Hon. Mr. Nixon moved that the select committee on the environment be authorized to meet this afternoon following routine proceedings.

Motion agreed to.

Hon. Mr. Nixon moved that the select committee on health be authorized to meet on Monday, February 2, 1987, following routine proceedings.

Motion agreed to.

Hon. Mr. Nixon moved that the select committee on retail store hours be authorized to meet on Wednesday, February 4, 1987, following routine proceedings.

Motion agreed to.

INTRODUCTION OF BILL

CROWN WITNESS PROTECTION ACT

Mr. Runciman moved first reading of Bill 191, An Act to provide for the Safety and Welfare of Crown Witnesses in Certain Criminal Proceedings.

Motion agreed to.

Mr. Speaker: Does the member have a brief explanation?

Mr. Runciman: Very briefly, if passed, this legislation would provide the first legal framework to provide witness protection in any jurisdiction in Canada. I urge its careful consideration by members of the House.

ORDERS OF THE DAY

Hon. Mr. Nixon: I ask the unanimous consent of the House to permit the Minister of Consumer

and Commercial Relations (Mr. Kwinter) to introduce a special resolution, notice of which he gave during a previous statement.

Mr. Speaker: Is there unanimous consent?

Agreed to.

INTERNATIONAL BANKING CENTRES

Hon. Mr. Kwinter moved the following resolution:

That the Legislative Assembly of Ontario regrets the action of the government of Canada in ignoring Toronto, the established financial centre of the country, in its plans to designate international banking centres, thereby distorting the national economy and unnecessarily provoking regional tensions; and that the assembly calls upon the federal government to correct this intentional omission by adding Toronto to the list of designated cities eligible for tax advantages favouring international banking.

Mr. Speaker: Mr. Kwinter has moved this special resolution. I believe all members have received a copy. Are there any opening comments?

Hon. Mr. Kwinter: I want to give a brief history of how we got to where we were.

In the budget speech of the federal government dated February 26, 1986, they announced that they were contemplating a situation whereby they were going to designate both Montreal and Vancouver as international banking centres.

The Premier of Ontario (Mr. Peterson), in a letter to the Prime Minister on March 4, which was just days after that announcement, wrote expressing his great concern about what this would do to Toronto's position as the pre-eminent financial centre of Canada. The Prime Minister responded and stated that he would not do anything unless there was full consultation with Ontario, and he believed that this issue could be resolved. That letter by the Prime Minister was written on May 27.

The Premier wrote back stating that he acknowledged this letter and welcomed the assurances of the Prime Minister that nothing would be done unless there was further consultation and that Toronto's interests would be looked after.

I should tell members that on September 8 there was further correspondence with the Prime Minister of Canada, and the Premier wrote back on September 25, again stating his pleasure that the Prime Minister had assured him that he would have further consultation and Toronto's interests would be looked after.

1540

In conjunction with that, I have met with both the Minister of Finance and the Minister of State for Finance on several occasions and expressed the great concern of this government about their plans. On all of those occasions I have been assured that this was something we were blowing way out of proportion, that it was of no major consequence to the financial market in Toronto and that notwithstanding the situation, there would be consultation before anything was done.

As recently as last week, the Treasurer (Mr. Nixon) had communications with the Minister of Finance, and all along these things have been conveyed to us with a sense of assurance: "Do not worry about it. We will look after Toronto's interest."

There has been a constant, steady barrage of concern expressed by the mayor of Toronto, the Board of Trade of Metropolitan Toronto and the banking community of Toronto. All of these people are making the same statement; they do not see the necessity for doing it, but surely if the federal government is going to do it, it has to include Toronto because of its position as the pre-eminent financial centre of Canada.

Allusions have been made to the fact that we have blown another one; when we talk about softwood lumber or steel, we can include this situation. There is no relationship at all between those two issues and this one. In those issues, we are dealing in bilateral negotiations with other jurisdictions. Here we have a situation where the federal government, solely and exclusively for political considerations, has made a commitment.

It is not something where there was pressure and people were clamouring at the doors of Canada saying, "If only you would provide an international banking centre, you could solve a lot of the economic problems in this country." There was no one who felt there was any necessity to have this. As a matter of fact, over the years recognized authorities have looked at the concept of international banking centres in Canada and have found any need for it wanting. I agree; I see no reason to have this and I am not advocating that we have it.

The point is that if we are going to have it—and the government in its wisdom has made that decision—then it is ludicrous to designate two cities, Montreal and Vancouver, and exclude Toronto. If this is carried out, we will be the only jurisdiction in the world that has a regional international banking centre as opposed to a national one. As a result of this, we will create

problems that no one needs. No benefits will accrue except in the minds of some politicians in Ottawa who think they can make some political points in Quebec and British Columbia at the expense of Ontario.

It is with this in mind that I feel we as the Legislature have to strongly state our position, and notwithstanding that the standing committee on finance and economic affairs is dealing with this, we have to make that statement now. It does not have to be the definitive statement and the only statement, but we have to do it so they will know of our concern.

In my conversations with the Minister of State for Finance—and I have had many—I kept asking him, "Are you getting the message?" He kept assuring me that his ear was hurting from the message he was getting, not only from me but also from the business leaders in Ontario and other cities in Canada. He was getting the message. He has acknowledged that he is getting the message but he has not responded.

Therefore, I think it is important that we take this step to give that semblance of authority that we as a Legislature in Ontario are very concerned about what this government is doing in the way of setting up regional disparities, what it is doing for what I consider to be crass political reasons, and we send this statement strong and clear.

I have no problem at all with the committee that is looking into this issue coming out with its report and reiterating what we as a Legislature say today.

Mr. Rae: I want to move an amendment to the motion of the minister which in effect is a different motion. I move that the minister's motion be amended by substituting the following therefor:

"That the Legislative Assembly of Ontario condemns the government of Canada's proposal to give further tax concessions to the banking community through its so-called international banking centres plan, and that this assembly believes that federal tax reform should benefit individual working Canadians and not further profit banks while exacerbating regional tensions in Canada."

I presented a copy of that substituting amendment to the motion to the House earlier. I want to speak to it if I may.

I said in my remarks in response to the minister's statement that I thought the government had blown an opportunity. I say this as somebody who has served as a federal member in the financial field and I have some sense of the

debate that has gone on over the last decade with respect to international banking.

The Deputy Speaker: Excuse me, I am sorry; I should put a motion to the House. Mr. Rae has moved an amendment to the special resolution of Mr. Kwinter. Carry on.

Mr. Rae: I want to say that the first genuine change in Canadian banking that took place most recently was the change in the federal Bank Act which took place in 1980-81 and which led to the introduction of a number of foreign banks into Canada.

I also want to state categorically and clearly that this proposal coming from Mr. Wilson now has confused a great many people and confused them in a completely unnecessary way. If I may say so, that confusion has been fuelled by comments that have been made by the Minister of Financial Institutions (Mr. Kwinter). He has been quoted as saying that Toronto will no longer be an international banking centre or that it will be a major disaster for Toronto if we are not successful in getting this designation. He has compared it to a financial cataclysmic event which is completely unworthy of any serious observation of the scene.

What are we talking about here? We are not talking about the activities of foreign banks in Canada overall. We are not talking about the most serious revolutionary reform in terms of the fact that all international banking will have to take place in either Vancouver or Montreal and cannot take place in Toronto. We are not saying that. That is not what Mr. Wilson is proposing.

What he is proposing is that in order to attract jobs and work which is now being done in the Cayman Islands, Bahrain, Singapore, Panama, the Bahamas, the Channel Islands and in a number of other places, Vancouver and Montreal should be designated as international banking centres. What that really means is they should be designated as international booking centres. That means some financial transactions dealing with European currencies and other things that are now being booked in other parts of the world because they are sheltered from taxation should be moved to Vancouver and Montreal in order that that amount of international booking can be done in Vancouver and in Montreal.

1550

No less an authority than Louis Rasminsky, assisted by Mr. Lawson, who was the deputy governor of the Bank of Canada—and Mr. Rasminsky, as we all know, has been for 50 years at the very centre of financial and international banking questions and was governor of the Bank

of Canada for nearly 20 years—no less an authority than those two individuals have stated quite clearly and categorically that the employment implication of this measure is absolutely negligible. They have also stated clearly and categorically that it will have minor costs and benefits either way and that there is no evidence to suggest either the costs or benefits will outweigh the other. The effect of their report to the government of Canada is to say it is no big deal.

We in this Legislature are left with a choice. What position do we take with respect to this designation by Mr. Wilson with respect to Vancouver and Montreal? I suggest the government of Ontario, the Premier and the Treasurer, who has been strangely silent in all these events, I must confess, have two choices about what to say.

They can say, "This is a good idea, something Canada should be aiming to do." In other words, this business is so important for Canada we should be aiming to erase taxation on certain activities so people can take advantage of it. Alternatively, they can take the position that there is no justification for that kind of tax break to the banks, no justification for that kind of tax giveaway to the banks and no reason for this kind of change to be made. The government of Ontario then has the opportunity to go across the country and say to ordinary Canadians: "This does not make any sense. It is a bad deal. It is a bad idea. It is unnecessary and unfair."

Either one of those choices would make some kind of sense to me and would have some kind of coherence. Instead, we had the statement today by the Minister of Financial Institutions and the speech he gave this afternoon. I must confess to being absolutely baffled by what the minister has said. As I understand it, his position seems to be that he does not think it is necessarily a good idea. I hope I am not misrepresenting his comments.

Part of what I heard him say was that it represented a tax subsidy and that there were real questions in public policy terms about this kind of tax subsidy; to which I can only say, if that is true, why should Ontario want to have any part of it?

One has to have a consistent position. If it does not make any sense, and if, as Mr. Rasminsky and other people say, it is not going to have enormous consequences with respect to employment, because activities will be carried out on a computerized basis by people who are already doing that kind of work in banks currently

operating in various places, then what is the big deal?

It is not a question of blowing the opportunity in relationship to softwood or other things. All I am saying is I think the Premier has misplayed the hand, because nothing sounds so contradictory and so self-serving as the position Ontario is now taking.

Let us imagine being somebody working in Vancouver or Montreal. It is a big country, and we have to think about how things look to those parts of the country. One is sitting there watching the Premier of Ontario on television, and he says: "This is terrible. Toronto needs its fair share. Toronto needs to be part of the action. We are the financial capital of Canada and we want to be there. We have to be involved. We have to be part of that. We have to have that designation."

At the same time, the Minister of Financial Institutions is saying: "We do not think it is a good idea. We think it is a tax subsidy. We have real problems with it. We do not think it is the best idea in the world." Talk about mixed signals; we have the Premier and the government of Ontario saying, in effect: "We do not think it is a good idea, but if you are going to do it, we want to be part of it as well." To state it in those terms is nonsense. There are all kinds of social policies which one can imagine other parts of Canada doing and the government of Ontario saying, "We do not think that is a good idea, but if they are going to do it, we are going to do it as well."

We now have the preposterous notion that somehow to deal with this measure, if it goes through, it is the position of the government of Ontario that it will offer a competing tax advantage to international booking activities on a provincial basis.

The only effect that will have will be to raise the taxes of my constituents, of the constituents of my colleague the member for Hamilton East (Mr. Mackenzie), those of the member for Bellwoods (Mr. McClellan) and the constituents of every member in this House.

I will tell the minister quite bluntly that I think the position of Ontario should have been, "It is a bad deal not just for Toronto, for Bay Street and for banks, but also for Canada." More important than Canada as an abstraction, it is a bad deal for ordinary Canadians. Every time we give a tax break and a tax subsidy to a corporation or a bank, every time that is done, the consequence is higher taxes for ordinary people.

The members of this party are not going to support a resolution that has the effect of saying, "We think people in this province should be

paying higher taxes in order to attract a kind of crap-shoot banking operation so it can come to Canada and do its business here." It is a mug's game. I must confess I am absolutely baffled by the position the minister has taken.

Let us look at the position of the banks for a moment. Let us take the Canadian banks that are engaged in international operations. All of them have offices in these various places doing this kind of international booking activity. For the Bank of Montreal, I could go through statutory tax payable going back years. It is not paying its statutory tax payable. It is paying considerably less than that in every instance. In 1985, the statutory tax payable was \$207.4 million, while the actual tax paid was \$190 million. For the Bank of Nova Scotia, the 1985 statutory tax payable was \$222 million. The actual taxes paid were \$113 million.

The Canadian Imperial Bank of Commerce's 1985 statutory tax payable was \$267.7 million and actual taxes paid were \$28.7 million. In other words, it paid about 10 per cent of what it was supposed to be paying because of various tax credits, tax options and tax forgiveness which the government of Canada has already provided. The Royal Bank's statutory tax payable was \$337.6 million. Actual tax paid was \$60.4 million. Toronto Dominion Bank had \$306.2 million payable. It actually paid \$137.8 million.

Our tax system is riddled with unfairness. It is riddled with the notion of tax subsidy. It is riddled with the notion of tax giveaways. The banks have been getting away with this, practically, more than any other sector in Ontario. Our banks do not pay their fair share now to the government of Ontario. Why would we as a Legislature want to turn around and say, "We want to be part of that game so we can give away part of that money, so we can end up taxing our citizens all the more."

It makes no sense to me. It offends me because I believe it is going to have the effect of hurting my constituents on balance. I also think the approach, the position the government has taken, has itself contributed to regional tension.

I think the idea is a bad one. It is unnecessary. The approach that should have been taken should have been a clean, clear approach that said: "We do not want any part of it. We think it is such a bad idea that we want no part of it."

The consequence of the position the minister has taken is twofold. First, the position he has taken will contribute even more to regional tension and difficulties between different parts of the country. That is for sure, because Ontario,

Bay Street and the Premier look very greedy indeed, saying, "We want to be at that trough too." The people in Vancouver, the people in Montreal and the people elsewhere are going to look with some scepticism at Toronto saying, "Oh, you know, we do not get anything."

Compare the unemployment rate in Toronto today to the rate in Vancouver. Compare our economy here in southern Ontario with the economy anywhere else in Canada. It is very difficult to make an argument outside the confines of southern Ontario that we are somehow disadvantaged in comparison with the rest of the country. We have to face up to that fact and face up to it honestly.

1600

There will be other consequence of the government's action, if the government is successful in designating Toronto as another international booking centre. I refuse to use the words "international banking centre" because it is not banking activity; it is booking activity that we are talking about. If that is what takes place, it will become that much more difficult to remove the subsidy.

That is why our position should be that we are opposed to it, that we are going to fight it; that we are going to fight it across the country and that we are going to unite people across the country against this tax subsidy because it is an injustice, but it is such an injustice that we do not want to have any part of it. That ought to be the position of the government of Ontario and the Legislature of Ontario, not the position we have heard from the Premier, which is, "There is a gravy train leaving, and I want to be on it."

I would rather that we were tough, clear and hard-nosed about it and made it perfectly clear that we in Ontario are opposed to this tax deal. We think it is a lousy tax deal for everybody, for every Canadian taxpayer. We are going to fight it, we are going to fight it across the way and eventually we are going to win because it does not make any sense.

Mr. McFadden: I rise at this time to indicate our party support for the motion here today. In my experience, the federal Minister of Finance, the Honourable Michael Wilson, is a man of great ability, insight and experience in financial affairs. If one looks at his record as Minister of Finance, he has made good decisions, and the results are indicated by the strong economy we have in much of Canada. Obviously, there are regional disparities in this country, but on balance the record of our current Minister of Finance in Ottawa has been exemplary.

This, however, is a proposal that our party has some real difficulty with. The debate about international banking centres has become afflicted with a great deal of hyperbole. The member for York South (Mr. Rae), the leader of the New Democratic Party, said that in his remarks just a few moments ago.

If you listen to some of the talk from various people, informed and uninformed, you would believe that if the federal government proposal were to go ahead, Toronto would suddenly revert to a small town in which you could roll up the sidewalks. You would believe we would have no real banking centres or banks or anything else left in Toronto, that we would wind up with 50 per cent unemployment in the city and it would be a total disaster for Ontario.

I have spent several weeks as a member of the standing committee on finance and economic affairs looking at this subject. I should show the House the very extensive binder that David Bond, the researcher who is working for the standing committee, has prepared. The binder covers a whole range of matters connected with the impact of the federal proposal and the various options we should consider.

In addition to that, we have had two hearing days on the subject of the federal proposal. Last week Professor Brean of the University of Toronto was with us, together with a large delegation from the Toronto Board of Trade and the Treasurer and his staff, including the chief economist. Today we heard from George Radwanski, who conducted a recent study of the service sector in Ontario. We heard from the Minister of Financial Institutions as well as from the chairman of the Ontario Securities Commission, Stanley Beck.

If one read all the briefing materials and listened to the various speakers we have heard from, it is very difficult to determine the impact this federal proposal will have on Ontario or, for that matter, on Canada. There is an opinion being put forward by someone like Professor Brean that the federal proposal is of minor, marginal importance and represents very little in terms of job creation, economic impact or anything else. I know when I talk with federal officials, they tend to minimize the effect this kind of proposal would have on Ontario or really, it would seem, almost anywhere.

There are those, on the other hand, including the president of the Board of Trade of Metropolitan Toronto and his committee, the mayor of this city and others, who feel the federal proposal would—downstream, at least—have a very nega-

tive effect on Toronto and, more generally, on Ontario. The feeling that has been put forward is that this will transmit to the financial community worldwide a message from the federal government that it would like to see international transactions in the financial sector concentrated in Montreal and Vancouver to the exclusion of Toronto.

The Minister of Finance indicates that this is not what he is trying to do, but the view of a number of people, certainly from the Toronto business and financial community, is that the message will get out to the international financial centres across the world that somehow the federal government is trying to minimize or play down Toronto and to play up other communities in the area of international banking.

Having looked at it myself from the hearings, I believe the federal proposal lacks logic. Over the past 20 or so years, Toronto has steadily built up an image as a international banking centre. Over the past number of years, Toronto has developed a large number of highly skilled professionals working in the banking sector who are respected worldwide.

The information we received this morning from Mr. Beck of the Ontario Securities Commission indicated that part and parcel with that is the fact that Toronto is now the fourth-largest centre in terms of equities and stock exchange activity in the world. Therefore, it makes sense and would be logical for the federal government to develop proposals on international banking that would reinforce success. It would make sense for the federal government, in any proposals of this nature, to reinforce the strength and image of Toronto, because Toronto, in effect, is not competing with Montreal and Vancouver. When it comes to international banking, Toronto is competing against other major centres worldwide, such as Tokyo, Zurich or London.

The problem we found, though, with the federal proposal, is that by saying this, by recognizing the logic of the development of the financial services sector during the past 10 or 20 years, we are somehow trying to denigrate, play down or undermine Montreal or Vancouver.

Certainly, our party is not anxious in any way to undermine the development and the prosperity of Montreal and Vancouver. It makes good sense, if we are to have international centres, that Vancouver be an international banking centre, since logically Vancouver would service the Pacific Rim, one of the fastest growing economic regions in the world, if not the fastest growing. Vancouver is in a different time zone from

Toronto. It makes sense that Vancouver would develop as an international banking centre, catering to clientele throughout the Pacific Rim. That is logical, reasonable and supportable.

1610

Equally, I suggest Montreal could be considered an international banking centre. It is an international banking centre. Two of Canada's five major chartered banks are headquartered in Montreal. I do not think the fact that Toronto is an international banking centre, in the generic sense of that word, militates against Montreal and its banking community going out and competing aggressively throughout the world for any amount of international financial business. I hope no one in Toronto is small-minded enough to try to deny Montreal the right to get ahead. That is not the spirit in which we are entering this debate today. We wish Montreal well. We hope Montreal prospers and succeeds as a financial centre. That can only strengthen all of Canada.

Our point is that if this proposal is going ahead, it is unreasonable and illogical to exclude Toronto from that designation. In my view, based on the evidence I have seen, if this proposal is to go ahead at all, Canada should be designated as an international banking centre. Why is it that we are selecting specific municipalities for this designation? At our hearing this morning, Mr. Beck said he could not think of a single other country that has designated within its borders one specific municipality. The various countries of which he was aware simply designated the entire country as an international banking centre, be it the Channel Islands, Panama, Grand Cayman or wherever else this particular type of designation is developed.

The problem with the proposal, as it has come down, is that it is tending to divide Canadians. It has put Ontario in a position where it looks as if we are trying to undercut Montreal and Vancouver from getting ahead. As I mentioned already, I do not believe that is the spirit in which we are entering this debate today.

It would make sense for Canada to be designated an international banking centre, if we were to go ahead with this. In that arrangement, municipalities from across Canada could compete for the type of business that might come in as a result of this designation. Why should we exclude Edmonton, Calgary, Regina, Winnipeg, Brandon, Thunder Bay, Guelph, London, Picton, Ottawa, Quebec City, Saint John, Halifax, Charlottetown or St. John's from being able to attract international banking? If banks in those municipalities were able to find nonresidents

who wanted to lend money to a bank in that community, and then have that bank in turn lend out that money to nonresidents, I see no reason that those activities need only be done in certain places in Canada.

In my discussions with people from the banking sector, they have made the point they would prefer the market to govern. The impression I have from people in the financial services area is that they would prefer, if we are to have this designation at all, for it to be a Canadian designation, so that if the Royal Bank, for example, wanted to become involved in some form of international loans related to the petrochemical area somewhere in the world, it might make sense to have that done through its corporate banking centre in Edmonton, Alberta, rather than in Toronto, Montreal or Vancouver.

Maybe somebody wants to become involved with the lending of money to assist fisheries somewhere in the world. Perhaps it makes sense to run that loan through a corporate banking centre in Halifax.

The problem with the proposal as it is now structured is that it is tending to split region from region and city from city in this country. I urge that if this banking centre concept is to go ahead, it should go ahead on the grounds that Canadian communities across this country could participate in a free market arrangement among the various banks.

The matter that the New Democratic Party motion raises is the question of further tax concessions to the banks. The impact of the federal proposal on bank taxation is quite obscure. We cannot tell from any of the material whether the banks will benefit greatly or in a very small fashion.

One thing that has not been established in all this discussion is what, if any, immediate positive economic benefit will come to anybody. We do not know if all this represents are some paper entries coming in on a computer, whether it will create one, 100, 1,000 or 10,000 jobs. The evidence indicates that the economic impact in terms of jobs may be minimal, if not almost nonexistent.

At the same time, it may involve the government giving up tax revenue, giving tax concessions that on this basis might be very hard to justify. Our party believes, as our leader stated on Tuesday in his tax reform statement, that Ontarians and Canadians are overtaxed. What Canadians need is a break in terms of their taxes. Government today is too expensive. We need to find the ways and means of getting back to

Canadians more of their income. Government is collecting too much.

My worry about this proposal is whether in the end, by offering further tax concessions to banks, in effect we are denying further the ability of government to reduce taxation and to keep the deficit and spending under control. While I have some question about the way in which the NDP motion is worded, I would suggest we are prepared to support the motion on the grounds that I think the average Canadian needs a tax break today. We stated that this week and we stand behind that principle.

1620

It is unfortunate that this has come about in this way. This particular proposal has been around for more than a year without much intervention on anybody's part. We have had discussions back and forth. Then everything came to a head, I gather, in the past several weeks. As I said earlier when the minister made his statement before question period, this is another area in which the Premier has not been successful in achieving the results that appear to be in the best interests of this province.

We are prepared to support this motion because we think it is essential the federal government understand that Ontarians are worried about the implications of what the federal government is doing. It is not just worry, though; there is also a sense of confusion, because there are so many conflicting signals that it is hard to tell what this whole thing is about. Having said that, I think it is incumbent on this House to take a stand that on balance is clearly in the best interests of the city of Toronto, of the financial community in this province and of the taxpayers of this province and this country. Consequently, are prepared to support the motions that are before us today.

Mr. Mackenzie: Not being a financial critic, I have had some difficulty wrestling with the implications of the motions before us and the move by the federal government to set up these international banking centres. As the days go by, I wonder more just exactly what the Tories are trying to do. Some of their initiatives, from free trade to unemployment insurance revisions to pension-indexing attacks up to the sellout, as far as I am concerned, of the fishermen in the past few days, make me wonder whether they really know what they are doing.

I support the amendment my party has moved. I question exactly what is to be gained by these banking centres. Are they just tax breaks for the banks and some of the corporations? If that is the

only purpose, I guess there has to be a justification. Does it create any jobs? I cannot get any clear indication that it does.

Tax breaks, I think, yes. I was interested in taking a look at some of the documents we have in the committee, which I also sit on. I looked quickly through the document on international banking centres, definition and motivation, to find out—they are talking about the centre in Montreal—what some of the costs are in terms of tax exemptions.

They list five: exemption from provincial capital tax; exemption from provincial corporate income tax; exemption from employer contributions to the health services fund; exemption from provincial income tax for two years for employees who have not resided in Canada prior to working for the centre; and exemption of employees from income tax on their allowances, which may equal a maximum of 50 per cent of their wages.

These additional breaks always bother me and I wonder who pays for them. It is my perception that when we give away tax concessions, somebody pays the price. I think it is usually the taxpayers of the province.

It has been interesting to listen to some of the testimony we have had from people, some of whom have been named, before our committee on the past two Thursdays. One of the things we were told very clearly a week ago was that, in effect, Canadian banks do not pay taxes now on international business or so little that it does not really amount to a hill of beans, and that there are very few restrictions on the business they can do. I have to begin to ask, why this move?

International banking centres are not really tax havens but just a way of getting around otherwise legitimate taxes or other regulations. That bothers me. We have been told there is no plus that can be clearly identified in terms of labour with international banking. In fact, the words used in testimony before our committee were “no economic significance.”

With that in front of us, why are we moving? What is to be gained? I think the move by the federal government to designate Vancouver and Montreal as international banking centres—and, of course, they have to make the tax concessions that are indicated—is a political one. I do not think there is much doubt of that. I think the Tories are feeling under real fire in terms of some of the things they have done in this country and are catering, if you like, to Quebec and Vancouver.

Vancouver is probably a natural growth area because of the Pacific Rim and may develop in

any event, but I am not sure why we are getting into this kind of a mug's game, as my leader says. It does not make too much sense to me.

In committee, it was fairly obvious the Tory members were a little bit upset about the federal initiative. Their approach seemed to be not so much to add Toronto to the list but to designate a Canadian banking centre and let the marketplace decide. That is a usual approach from the Conservatives. I do not want to see too much of a grin across the way because I am not sure my Liberal friends are any better. Nevertheless, that seems to be the Tory approach.

As I said in committee this morning, that gives me some concern. If I am right and if other witnesses that were before our committee are right, what we really have is a bit of a political game going on here. If Toronto is now really the financial centre of this country—and I think it is; it is certainly the centre of most of the major banks and most of the major institutions and is already the main player—if we go with a Canadian designation and let the marketplace decide, what is the result going to be? It is going to be obvious. It is going to be Toronto.

If this crazy suggestion was brought in in the first place as a political ploy to try to throw something to Montreal, what is it going to look like if there is a recommendation made by our committee or by this House to put a Canadian designation on it and Toronto ends up being the centre in any event? The people in Montreal are not dumb. They are going to see that as doing them in. They are not going to be able to compete, given the prominence Toronto already has. It seems to me that suggestion is not a viable one.

We could, of course, add Toronto to the list. It would make a heck of a lot more sense, in my opinion, if the federal government had never raised this suggestion. Having raised it, it would make much more sense to kill it totally.

I have another reason for saying that as well. We have been trying to find out, if we get into this bidding game, what it will cost us. It is interesting. In terms of the responses we would have to make to the federal government's position and the cost that might be involved if Ontario was trying to insist that Toronto be added to the list, it would probably cost us from \$2 million to \$4 million, from figures we got from the Treasurer, or up to \$10 million from figures we got from a witness we had this morning, George Radwanski, the author of a study of the service sector in Ontario.

We know there is a cost to the province of somewhere between \$2 million and \$10 million to get into this game, for nebulous benefits, other than losing some more taxes because of the tax concession.

The answer we could not get in that committee was that it may not just be the federal government we will have to respond to in terms of these costs. There are incentives, as are outlined, if one reads some of the material we have already been given, that Quebec may be willing to make in terms of the designation of Montreal.

Do we then have to get into a bidding game with Quebec as well? What are the costs going to be? I think the consensus of those witnesses in the committee we asked this question of was, "Probably not that much, but we really cannot tell you, but there will be costs." We know there is \$2 million to \$10 million in terms of the federal initiative, but we do not know how much money we are going to have to respond to if we get into a bidding game on this with Quebec.

1630

I think it is nuts. We have a potentially bottomless pit in terms of the cost, and nobody has been able to give us a very good picture of what we are likely to gain out of it.

I do not think it makes any sense. It is an emotional fear. The only real fear is that maybe we will not be seen as sticking up for Ontario or the city of Toronto. I do not think the suggestion that has been made is a good one to begin with and I do not think we should have anything to do with it. I urge this House to support the amendment that has been moved by the leader of my party.

Mr. Taylor: I gather there is no other Liberal member who wishes to speak. I note the absence of the minister who moved the resolution, but with your permission, Mr. Speaker, I might say a few words about this.

Mr. Speaker: Go ahead.

Mr. Taylor: I see the chairman of the standing committee on finance and economic affairs is here in good form, although not in his seat. I am sure he is looking forward to a movement of his seat as time progresses and as changes are made around here in the government. I appreciate his glance, if not his stare.

Seriously, getting back to the motion of the minister, I was somewhat disturbed to listen to the scathing attack the Minister of Financial Institutions (Mr. Kwinter) made on the minister in Ottawa, Michael Wilson. The Minister of Finance has been doing a tremendous job for the

country and should take a great deal of the credit for the buoyancy of the economy at this time.

There is some confusion here. What we are doing is sowing further seeds of confusion in regard to this whole issue. We heard that the pronouncement at the federal level has not been one of logic but of politics. I assume if it is politics, it is not supposed to be logical. Perhaps that makes a great deal of sense. It probably makes more sense to the public than it does to us.

I suggest that the resolution that is being advanced and propounded this afternoon is a resolution of a political nature. It is politics that the provincial government is playing to ensure a place in the debate that is going on in Canada today and to ensure that if there is any fallout that might be helpful to the provincial government, it will capture some of it. This whole process is political.

Let us focus on what we are talking about with respect to international banking centres. We are talking about banking transactions and deposits made in this country by nonresidents. We may very well be talking about foreign loans to any other place. The minister knows and I know that those transactions are now being booked in jurisdictions where the tax structures are different. They are international banking centres in that sense. In a computer-speed world where money moves as fast as electricity or the speed of light, there is no problem in booking that transaction in the Cayman Islands, the Jersey Islands or Panama. That is what is happening now.

We hear about a loss of revenue here. There is no loss of revenue, because the transactions are being booked elsewhere, in any event. If this legislation comes in at the federal level and these two centres that are designated become international banking centres, there will still be no revenue for Canada, because the tax changes will exempt them in that context. There really is not any net loss.

If we are talking, as the New Democrats are, about ensuring that the banks not receive further tax exemptions and that these moneys be given to the ordinary man on the street, this is not accurate. It is factually incorrect. It may be wishful thinking, but I do not think very much is going to happen in that regard. I have a great deal of compassion for the ordinary man on the street, as we all do. If one wants to be critical of the banking institutions as they function today, if one wants to get into banking operations or activities—the service charges and some of the practices in terms of extracting fees from the ordinary person

dealing with the banking system—then I am very sympathetic. Frankly, sometimes some of us feel fleeced when we see what the banks are extracting for their so-called services today.

The comment has been made that the domestic population may be assisting the banks in making up for some of their foolish overseas investments. I do not want to engage in that type of debate. We are not talking about domestic banking at the moment; we are talking about establishing international banking centres in Canada so foreign transactions can be booked here and not suffer taxation, can be exempt as they are in some other jurisdictions.

I cannot see any real change taking place. I do not think we are going to see a great shift to Montreal or Vancouver because of this action. I do not think we are going to see a great many jobs generated and I do not think we are going to see a great many jobs lost. The evidence, as I heard it from persons coming before the standing committee on finance and economic affairs, seemed to substantiate that fact.

However, we still have to deal with the problem of optics, the signal, as it has been put, going out from Ottawa to the world. Members should remember we are talking about a single marketplace. We are talking about a world marketplace in money matters. We cannot be parochial in these things. I do not think we can be protectionists in banking any more than in any other area. We have to think of that world marketplace. It is important for our banks to be able to compete in that world marketplace. If those bookings that now take place offshore can be brought to this country, that will assist the banking process in some way, no matter how small. It may make the banks more efficient in some matters. It may enable them to give a little better service in some way. If that can be accomplished, so much the better.

What troubles most of us is that Ottawa has seen fit to single out two cities of this great country of ours and say, "If there is any new business that is to be decoyed from offshore, then the attraction should be Vancouver or Montreal." That hurts me somewhat, although not because I have any particular affinity for Toronto.

Toronto, there is no doubt about it, is the financial centre of Canada now. It is strong and it is growing; it is becoming stronger. If there is the shift of a financial centre, it is a historical imperative to choose to create that shift. It is international forces at work. As we see the centre of gravity shift somewhat in an economic sense from London to New York to Tokyo, we are now

seeing a shift in North America westward. As that occurs, I think that in a natural sense Vancouver will take on a new importance.

1640

However, to single out two cities, again as I commented in committee this morning, it is a difficult thing for a Prime Minister of this country to try to balance the nation so that we have equality of opportunity across a vast land. We know within Ontario itself the regionalism that takes place. We are aware of and have participated in discrimination in terms of programs to accommodate different regions of the province where job generation and industrial settlement are important.

We have tried, through a series of government actions, to decoy development away from Metropolitan Toronto and give the rest of Ontario a chance. Maybe when we look at the banking picture, when we look at the diversity of development across a land so much more regionalized than Ontario, we must take on a larger perspective and we must have some understanding for the motivation behind this act. I happen to believe the act would be one more of optics than of substance.

I happen also to believe that the country, in a financial sense, should be treated as one. If we are going to open up the doors of Canada to accommodate international banking centres, then the country as such should be opened up, as any other country in the world has opened up to accommodate this type of financial transaction.

I have made the statement before, as late as this morning, that I remember only so vividly the debate that went on in regard to our constitutional change. Mr. Speaker, you were here, and I think you appreciated the arguments that were made in regard to the Constitution being brought back to Canada from Westminster and the constitutional change that took place, the great debates of that period. We discussed the Charter of Rights and Freedoms. We discussed the need to look at Canada as a country and to ensure the free movement of goods, services and capital right across this half of the North American continent. When we looked at that, I think we had some idea that we were Canadians first.

I know that regional disparities and differences were looked into at that time. Mention was made of giving job preference to provinces where they needed employment, so that if there was drilling, for example, off the shore of Newfoundland, Newfoundlanders would be given the first opportunity of those jobs; a market would not be created for Ontario or Quebec labour. We had an

appreciation of those domestic problems, province by province and region by region.

When we talk about international banking, it is essential that we look upon the country as a whole. I would very much like to see Canada as a whole designated an international banking centre, as other countries are. The minister has pointed out that it is unique in the world to designate a single city or more than one city as an international banking centre. I do not think we necessarily want to be known for pioneering a new phenomenon in international banking centres.

It is not a question of Toronto trying to grab more and it is not a question of British Columbia or Quebec thinking Toronto is being parochial and must look after itself to the exclusion of everyone else. What determines the vibrancy, the vitality, the energy and the growth of a centre is the economic activity.

A lot of functions will determine where best to locate. The element of time zones has already been mentioned. Time zones have been an explanation for shifting from New York to Los Angeles, for example, in the United States, with the greater emphasis on the western part of the continent. That may very well happen in Canada with Vancouver, but in my view those market forces will and should determine the efficiencies and locations of these centres.

It is for some of those reasons that I feel compelled to look at this resolution. I do not want to condemn the federal government, because I think it was trying to give a message that it thinks and cares about Vancouver and Montreal and that Toronto does not need anything extra. Toronto is going to grow regardless of this. At the same time, in this world we deal in perceptions. If you look at the stock market today, you will see what the perceptions are, the gyrations that are taking place, the real public reaction and the hard dollars that are being invested in that. Hype, whether political or media hype, certainly creates an environment, and in a small global market today—the world is very small—it is important to ensure that the wrong messages do not get out.

That is the minister's concern. We had an opportunity to question the minister this morning, though I thought he was using somewhat extravagant language in characterizing his good friend Michael Wilson. Nevertheless, I may say the federal minister speaks very highly of our provincial minister. I am sure it was just the heat of the moment or that point of passion that may have exacted from the Minister of Financial

Institutions a little hyperbole that would not otherwise have been there.

I am inclined to support the spirit of the motion that was advanced by the minister, but it is not just a matter of adding Toronto but a matter of opening up the country. Facetiously I mentioned county towns in my own riding, Picton and Napanee; yet it was not so facetiously in that they too are a part of Ontario and Canada. If the opportunities are there, then there should be equality of opportunity to take advantage of that environment.

While I subscribe to the spirit of the resolution that has been advanced by the Minister of Financial Institutions and while I sympathize with the man in the street—the little man, as most of us are—I am inclined to say: “What is the fuss all about? What do we want to do anything for? Leave it the way it is.”

That amendment is somewhat empty, in my view, in that there is not any tax revenue being generated now, because Canada is not being used for this international business that is being conducted. They are using Panama, Jersey island, the Cayman Islands and so on. That revenue is not there, and that is why it is not being taxed. Now we are saying that if one wants to do business here, we still will not tax it; so the net balance is zero in any event.

1650

Actually, I have sympathy with both the resolution and the amendment to the resolution. I would take from this—and in an ecumenical spirit—that Ontario as a whole is not looking for advantage; it is looking to be treated like any other province. I would be inclined to be supportive of both.

When the voting comes, and this being a political exercise—Mr. Speaker, you have some idea of politics, having sat in that chair and in this House for so many years—again, it is more optics. One of the things I have learned around here after some years is that one should not take question period too seriously. One never wants to give a serious answer to a question because maybe that is not what is looked for. Again, it is the process, it is the perception that comes out of the interplay. We are not always factually accurate, and there does not seem to be that desire to be so.

I wish someone could consolidate the motion and the resolution in some way. I do not think there is really much difference in terms of the parties in regard to the temperament of the members. We had a concern in terms of singling out. In singling out, you discriminate, and when

you discriminate, you divide. When you divide, then you polarize prejudice. You have that conflict of opinion. In one nation, I do not think we need that.

While the federal exercise has been accused of being a political one, I think that accusation may be accurate. At the same time, something good should come from a political resolution. It should send messages to those other parts of the province that felt they did not have the same advantages, that now they do or that they are wanted and cared for.

I am afraid there might be some backfiring, if I can put it so bluntly, in regard to that political judgement, if that is what it is. I have more fear for division than I have a claim for political advantage.

I would join the House in transmitting a message to Ottawa that we should be careful and cognizant of the importance of Canada as a whole in all its aspects, and to reconsider its legislation to ensure that the country as a whole is treated in a fair and evenhanded way so that there is no region of this country that can claim it has been served less well than any other.

I appreciate the opportunity given to me this afternoon to voice those few views in regard to this resolution.

Mr. McClellan: For the sake of procedural nicety, I want to revise the amendment that was put forward at the beginning of the debate by the New Democratic Party; so I will withdraw the amendment to the motion.

Mr. Speaker: I believe it was the member for York South (Mr. Rae) who placed the amendment. Therefore, it would have to be the member for York South who withdrew it.

Mr. Rae: With the approval of the House in terms of procedure, I would like to clarify the original amendment and say that I move, if necessary, seconded by my House leader, that the motion standing in the name of the Minister of Financial Institutions be amended by deleting the words following "Canada" in the second line and adding "in giving further tax concessions to the banking community through its so-called international-banking-centres plan, and that this assembly believes that federal tax reforms should benefit individual working Canadians and not further profit banks while irresponsibly provoking regional tensions in Canada."

I hope the House will agree to that.

Mr. Speaker: Just to keep it neat and tidy, I understand the member for York South withdrew his original motion. I am just not sure whether it is in order for the member to speak again. Just to

keep it tidy, would it be better if the member for Bellwoods (Mr. McClellan) were to move it?

Mr. Rae: I do not want to start over again.

Mr. McClellan: I would be happy to so move, but I have given my only copy to the table, which will be, I am sure, read as read.

Mr. Speaker: Mr. McClellan moves that all the words after the word "Canada" in the second line be struck and the following words substituted—

Interjection.

Mr. Speaker: I really am not certain exactly what words you want after the word "Canada." Maybe the member for Bellwoods could read it again into the record.

Mr. McClellan: I move that the motion of the Minister of Financial Institutions be amended by deleting everything after "of" in the second line and substituting therefor the following words: "Canada in giving further tax concessions to the banking community through its so-called international-banking-centres plan; and that this assembly believes that the federal tax reform should benefit individual working Canadians and not further profit banks while irresponsibly provoking regional tension in Canada."

Mr. Rae: "While exacerbating."

Mr. McClellan: "While not exacerbating."

Interjection.

Mr. McClellan: "While exacerbating regional tensions in Canada."

Mr. Speaker: Mr. McClellan moves that the motion be amended by deleting the words following "Canada" in the second line and adding the following: "in giving further tax concessions to the banking community, through its so-called international-banking-centres plan; and that this assembly believes that federal tax reform should benefit individual working Canadians and not further profit banks while exacerbating regional tensions in Canada."

I have a little difficulty. I am just wondering, is that really changing it in any way?

Mr. Rae: Changing what?

Mr. Speaker: Changing the original one.

1700

Mr. McClellan: The motion is to delete everything following the word "of" in the second line and add or substitute therefor the words "Canada in giving," etc. That eliminates the "Canada" with an apostrophe and makes it grammatically correct.

Mr. Speaker: Are all the members aware of what is taking place here? I do not really think I am. It says, "I move that the Legislative Assembly of Ontario regrets the action of the government of Canada in giving further tax concessions to the banking community through its so-called international-banking-centres plan," etc., the same as before.

It appears to me that it is exactly the same amendment.

Mr. Harris: Then the government will have no problem with it, since it is exactly the same.

Mr. McClellan: I will speak briefly to the amendment. Very briefly, the difference between our amendment and the government's motion is that the government is calling for an extension of the tax giveaway program of the federal government and the amendment states its opposition to that program.

Mr. D. R. Cooke: On a point of order, Mr. Speaker: As I understand it, this amendment is doing exactly what we were concerned about before. In fact, I thought that was what we were debating earlier, but obviously the member for Eglinton (Mr. McFadden) was confused. He spoke to both motions.

I draw to your attention page 233 of Beauchesne, which says, "An amendment may not be proposed to insert words at the commencement of a clause with a view to proposing an alternative scheme to that contained in the clause or to leave out from the first word to the end of the clause in order to substitute other words or to effect a redrafting of the clause, such amendments being in the nature of a new clause."

We have an entirely new motion, an entirely different motion, that condemns all the federal initiatives, whereas we criticize the federal initiatives and make a proposal that Toronto be included in those initiatives. It is an entirely different motion and the motions should be debated separately.

I suggest the member for Bellwoods simply propose an amendment that inserts his clause in the beginning of the motion but leaves its wording intact.

Mr. McClellan: As I am sure the member is aware, we are dealing with a substantive motion pursuant to standing order 40 of the standing orders of the Legislative Assembly. It is exactly the same as a motion in reply to a speech from the throne or a budget address. It is the normal procedure for opposition parties to amend any or all parts of the motion that is traditionally placed by members of the government. It is also traditional that the debate, in reply either to the

speech from the throne or to the budget, ranges over the motion, amendments and any subamendments, but the voting will take place on the amendment I have put.

Mr. Harris: It is not simply a matter of replacing words from "I move." I think he has explained the amendment very well now. The original motion, "I move that the Legislative Assembly of Ontario regrets the action of the government of Canada" is a very substantial part of the motion. The amendment is not changing that. It is agreeing with that, but it is altering something from there on. Surely that is what happens in throne speeches and in budgets. I am sure most will agree that is entirely in order. I suggest we get on with it.

Mr. Speaker: I am still having a little trouble. As I understand it, an amendment can add to or take from, not change the content of, the motion.

Mr. Harris: This deletes part of it and replaces it with something else.

Mr. Speaker: Okay. We have had the amendment. Are there any comments? Is there further discussion?

Mr. D. R. Cooke: What are we doing? I do not understand. Did you rule on my point of order?

Mr. Speaker: May I ask for a moment?

Hon. Mr. Nixon: We have no objection to your ruling. I appreciate the member for Kitchener (Mr. D. R. Cooke) bringing to the attention of the Legislature the admonitions of Beauchesne, whom we normally follow; but you have ruled on this matter, which is good enough for us.

We hope the motion eventually carried by the House will be substantially critical of the initiative taken by the government of Canada, which we think does not reflect reality as far as the banking position of the city of Toronto is concerned relative to the other cities in Canada. We have said repeatedly that we welcome fair and understandable competition with any centre in the world, and certainly within Canada. Competition of a healthy and friendly nature, particularly with Montreal, has been a long-standing attribute of the financial community of Canada. Naturally, I have followed this for many years and that has been my observation.

The fact that the initiative taken by the government of Canada tilts the level playing field—a phrase we in finance use from time to time—is a matter of concern expressed in this motion. But let us grant the government of Canada the right to enter into initiatives on a fair and equitable basis to improve employment

prospects and the utilization of banking facilities here. Anybody who somehow thinks that flies in the face of the common man surely is indulging in the kind of glassy-eyed, doctrinaire socialism that should have no place in the kinds of discussion we would have.

The fact that there is some weird indication the Progressive Conservative Party is going support it is just a further indication that the member for Brantford (Mr. Gillies) has seized control of the levers of power in the Progressive Conservative Party and that he may want to appeal to the boys in the upstairs room of the Canadian Auto Workers office in Brantford. I do not blame him under the circumstances he appears to be facing, but that is another matter.

How the leader of the Conservative Party and the member for Nipissing (Mr. Harris) can take leave of their Tory background is something difficult for me to understand. What will Colin Brown say? I know the Leader of the Opposition worries about it, but it looks as if he has been superseded.

The argument has been made very well by the leader of the New Democratic Party and other spokesmen who may have taken part in the debate when I was not present—I believe he made the argument—that in these times of tax reform it seemed strange that the government of Canada was going to intrude this other niggling little thing which was going to have some effect or not. That is an argument worth making and one that appeals to me, as I am interested in the purity of tax reform and bringing fairness and equity to all.

However, we are also interested in recognizing the government of Canada's pre-eminence in this area as long as it acts fairly and equitably for all concerned. If it wants to give some sort of tax concession to people who are going to do international banking, and the Minister of Finance of Canada has indicated that this will be new business, why should we thrust it away and say it should not come to Canada, even if it comes from Panama or the Channel Islands or somewhere?

1710

Mr. McClellan: Any old stupid idea from Mulroney is okay with you.

Hon. Mr. Nixon: Okay, but that is the government there and no resolution here is going to force it to make any change. The only one that will have any impact is one that, apparently, the Progressive Conservative Party is rejecting, one that calls for fairness and equity in treating Ontario and Toronto as it should be treated as the pre-eminent financial centre.

As a matter of fact, somebody made the proposal, and I thought it was a good one—actually I made the proposal—that we pass a resolution designating Toronto a universal banking centre or something such as that. It might be we could do something to improve the situation. We do not want to end up paying subventions to banks or Merrill Lynch or anybody such as that, but we are in a position where we want to see that the financial capability of the people who are living and working in Toronto is not put down by a decision made in another place and at another level.

The motion as put forward by my colleague the minister is an effective one. It should be responded to positively by thoughtful members on all sides. If the Progressive Conservatives reject it and accept the alternative, which is simply doctrinaire socialism mouthing anti-bank, pro-worker phrases that are totally meaningless, that is up to them. I have a feeling there will only be a handful here anyway because it is Thursday afternoon. We may have to vote at a more convenient time, which presumably is in the hands of the gods.

There have been many effective spokesmen on behalf of Toronto and Ontario: The Premier, the minister himself, the Treasurer—in spite of the comments made by the leader of the third party, which, as usual, I found stinging—and not only them, but also various financial leaders in downtown Toronto. The fact that they might be seen by other observers as somehow being selfish should be rejected out of hand. Obviously, they are thinking not just of the greater good of Toronto but also of the recognition of Toronto as an international banking centre, which it is and will be in spite of the misguided initiative of the government of Canada.

I ask that the historic judgement of the Progressive Conservative Party, which stood it in good stead for five or 10 of the past 42 years, come into play. We expect they will not support the amendment but will support the rational approach put before this House by the minister who has led Ontario and the business community in their attempt to see that this initiative not go forward.

With the passage of this motion, it is very likely the government of Canada will reconsider. I hope they are not going to play games with the other opposition party in a matter of such importance.

Mr. Gillies: The spectacle we have just witnessed in this chamber is nothing short of bizarre. The once-reformist ethic that motivated

my friend the Treasurer for lo these many years, and that propelled his distinguished father through this chamber for his lengthy career here, now has become a defender not only of Bay Street lawyers, as we saw earlier this week, but also of banks. This will not sit well around the stove at Earl's Shell where I am sure an argument can and will be made that the village of St. George should be designated an international banking centre and that it would stand on its merits vis-à-vis any other municipality in the country.

The Treasurer quite misreads the feelings of the people on this issue. He is standing on principles that I do not believe are natural to him. Regardless of whatever sentiments are expressed by the unelected government of Ontario sitting opposite, the great city of Toronto will remain an international banking centre—

Mr. Ferraro: We have as many members as you have.

Mr. Gillies: —regardless of whatever my friend from Guelph or my friend the member for Downsview (Mr. Cordiano) or anyone else has to say about it. This is history; this is fact, and it will continue to be the case.

We have this headlong rush of ministers such as the Treasurer and his good colleague the Minister of Financial Institutions—who I always thought was a good fellow—who have recently made the member for Welland-Thorold (Mr. Swart) look like a moderate on the question of car insurance because of the decidedly pro-business and anti—what is the word I am looking for?—anti-consumer type of stands they are taking.

It is historically consistent for the Progressive Conservative Party in this province to stand up for the aspirations of ordinary people. The revised amendment put forward by the third party, which will be supported by our party, is an expression of the will and aspirations to a fair deal of the ordinary people of this province. I know that deep down in his heart my friend the Minister of Financial Institutions is much more concerned about tax breaks for ordinary people than he is about tax breaks for banks.

Mr. Ferraro: Mr. Speaker, on a point of order: I want to correct the record. The member of the Conservative Party referred to my riding as Guelph; it is Wellington South.

Mr. Gillies: Pardon me. That is a well-deserved admonition on my part. My apologies to the member for Wellington South.

The amended motion that is before us is an expression of the sentiments of ordinary people

and their desire for a fair break. There is no hesitation or inconsistency on the part of our party to support it, as opposed to the decidedly pro-bank and international financial institutional community proposal put forward by the government, more for political purposes than substantive ones, I would suggest, from its wording. We will vote proudly for the amended version of this motion.

Mr. Callahan: The Tories have gone pinko.

Mr. D. R. Cooke: McFadden's head is hanging in shame.

Mr. Speaker: The member for Brantford has the floor.

Mr. Gillies: My friend the member for Eglinton cannot wait for the opportunity to stand up for the little guy in this regard.

In conclusion, I would suggest to the Treasurer that even Colin Brown, with whom I have been known to have my disagreements, would be far more concerned about the ramifications of this move for small business and the little guy than he would be for the five chartered banks in this country.

Mr. Speaker: The Minister of Financial Institutions originally moved a resolution. I believe you all have a copy of it. The member for Bellwoods has moved an amendment. I hope you are all aware of that.

1745

The House divided on Mr. McClellan's amendment to Mr. Kwinter's motion of resolution, which was agreed to on the following vote:

Ayes

Allen, Andrewes, Barlow, Bernier, Breaugh, Bryden, Charlton, Davis, Dean, Fish, Gillies, Grande, Grier, Harris, Jackson, Johnson, J. M., Johnston, R. F., Laughren, Leluk, Mackenzie, Marland, Martel, McClellan, McFadden, McNeil, Morin-Strom, Philip, Pierce, Rae, Reville, Rowe, Sheppard, Shymko, Sterling, Swart, Warner, Wildman, Yakabuski.

Nays

Bossy, Callahan, Conway, Cooke, D. R., Cordiano, Curling, Eakins, Elston, Epp, Ferraro, Fulton, Haggerty, Hart, Kwinter, Lupusella, McGuigan, Miller, G. I., Munro, Newman, Nixon, Offer, O'Neil, Peterson, Reycraft, Ruprecht, Smith, E. J., Sweeney, Van Horne, Ward, Wrye.

Ayes 38; nays 30.

Mr. Speaker: Order. There is still another vote to be taken if I can have your attention.

Is it the pleasure of the House that Mr. Kwinter's amended resolution carry?

Motion agreed to.

BUSINESS OF THE HOUSE

Hon. Mr. Nixon: It might be appropriate if I take a moment to indicate the business of the House for next week, although there are eight minutes left and the Premier's estimates are pending.

On Monday, February 2, we will consider the estimates of the Lieutenant Governor, the Premier and Cabinet Office.

On Tuesday, February 3, and Wednesday, February 4, we will deal with legislation as time

permits in the following order: Bill 154, pay equity; Bill 127, surveyors; Bill 170, pension benefits; Bill 176, nursing homes; Bill 177, health facilities; Bill 189, mining tax, and Bill 156, securities.

On Thursday morning, February 5, we will consider private members' business standing in the names of the member for Durham East (Mr. Cureatz) and of the member for Sudbury East (Mr. Martel). On Thursday afternoon, we will complete the estimates of the Lieutenant Governor, the Premier and Cabinet Office.

The House adjourned at 5:52 p.m.

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No. 96

Hansard

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Legislative Assembly of Ontario

Second Session, 33rd Parliament
Monday, February 2, 1987

Speaker: Honourable H. A. Edighoffer
Clerk of the House: C. L. DesRosiers

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LEGISLATIVE ASSEMBLY OF ONTARIO

Monday, February 2, 1987

The House met at 1:30 p.m.

Prayers.

MEMBERS' STATEMENTS

APPRENTICESHIP OFFICE

Mr. O'Connor: I wish to express my concerns to the Minister of Skills Development (Mr. Sorbara) regarding the decision by his ministry to close down the Oakville apprenticeship office.

This satellite office, which at any given time is serving 1,200 apprentices, has no secretarial support for the two consultants, who spend four days of each week on the road arranging job placements. Consequently, the office is open to the public only two days per week, one day per consultant. Despite these conditions, the consultants are filling a vital need in our community and have established an excellent reputation with the business and industrial community.

I do not believe anybody's best interests will be served by shutting down this local office and requiring everybody to begin dealing with a mammoth bureaucracy in Mississauga at the "Dundas Tower." To go to a Mississauga superoffice will inevitably mean long lineups, delays and no guarantees that those being served will meet with the same consultant on a regular basis.

The Oakville office serves all of Halton and as far north as Orangeville. The minister must not close down this office. Will he not, in the best interests of all concerned, acknowledge that the Oakville office should stay open, with secretarial support, to continue the high level of service that is now being provided? Will he realize that in this particular case, big will not be better?

AUDITOR GENERAL-PRISONS

Ms. Bryden: I bring to the attention of the House a very interesting proposal, in which it is suggested that this Legislature establish a new position to be known as auditor general-prisons. This innovative proposal is being supported by six very distinguished Canadians, who have organized a Canadian Campaign for Prison System Improvement to promote the idea at the federal and provincial levels.

The six distinguished Canadians who are organizing the campaign are Professor Israel Halperin, University of Toronto mathematics department; Archbishop Edward Scott, former primate, Anglican Church of Canada; Clarke MacDonald, former moderator of the United Church of Canada; Pierre Berton, author and broadcaster; June Callwood, author and journalist, and Yvon Beaulne, former ambassador to the United Nations Human Rights Commission.

The auditor general-prisons, like the Ontario Provincial Auditor, would be appointed by the Legislature, would report annually to the Legislature and would be independent of any ministry. He or she would not supplant the Ontario Provincial Auditor in his role of reviewing how the money allotted to prisons and other ministries is spent. Instead, she or he would review how our prison system is meeting its responsibilities and goals.

TELEVISION PROGRAM

Mr. Reycraft: I draw to the attention of members of the Legislature a recent and superb production by CFPL-TV in London. The program is called Season to Season, A Farmer's Story, and was broadcast last Thursday evening.

To those in this Legislature and in this province who do not know what it is really like to try to raise a family and earn a living by growing crops and raising livestock, this program should be required viewing. Season to Season is about John Walls, a beef and cash-crop farmer in London township near Ilderton, his wife Mary, son Greg and daughters Ellen and Joanne. It is an excellent portrayal of a year on a family farm, as it really happens.

Season to Season shows a farm family working about 280 hectares; dealing with a cash flow of over \$600,000 to produce a profit of about \$10,000; operating a high-intensity business; contending with steadily increasing production costs, diminishing commodity prices and adverse weather conditions, and doing it all while continuing to contribute to community life in Ilderton.

I want to congratulate CFPL-TV for its superb production. In particular, managing editor John MacDonald, who conceived Season to Season,

producer Helen Wainman and cameraman Richard Johnstone have made a very valuable contribution to helping all of us understand the true essence of life on a family farm.

FRENCH-LANGUAGE EDUCATION

Mr. Davis: The public trustees of boards of education and teacher affiliates must have great difficulty comprehending the apparent flip-flop of the Minister of Education (Mr. Conway) with respect to a single board of education.

The Ottawa-Carleton French-Language Education Advisory Committee is recommending a single French-language school board with two sections: a Roman Catholic section and a public section. The Minister of Education will have to explain why constitutional advice now says this action is recommended and will not be affected by section 93 of the Constitution Act and section 29 of the Charter of Rights and Freedoms, for it was these specific sections the minister quoted, supported by the New Democratic Party, in refusing to support a Progressive Conservative amendment to Bill 30 that would have provided for diversity of unity with the establishment of a single school board in educational jurisdictions where the public indicated support. It would have been not mandatory but permissive.

Will the Ottawa model be the model for the rest of Ontario in the delivery of francophone education? We ask the minister to pass enabling legislation that will allow for the creation of a single school board for areas that desire it. If it is possible for the francophones, it is also a possibility for the anglophones of Ontario.

HELP CENTRE

Mr. Warner: The unemployed help centre in Peterborough has closed. It has closed because the people who are unemployed in that community were unable to raise \$42,000 to keep the centre open. To quote the person who was helping to run the centre, she is afraid that the clients, who number between 800 and 1,200, will be without a place to get the skills they need in order to find a job.

The centre was indeed providing a good service to many people in the community in Peterborough. The "frustrating part" for her, as stated in the *Toronto Star*, and for this party as well, is "that the need continues to grow and yet the government's priorities go elsewhere."

How true it is. It is so easy for the government to sit back and say unemployed people in a community should raise the necessary funds to keep a centre open, without providing the kind of

assistance that this government should be capable of providing. It is frustrating to me as well that this government does not have a solid commitment to assist unemployed people in the community of Peterborough and in other communities around this province.

NURSING HOME

Mr. McGuigan: On January 28 last, the Ministry of Health advertised for persons to submit proposals to provide facilities and operate a nursing home of up to 40 beds in the community of Ridgetown. East Kent has lacked a nursing home for five years because of the precipitate action of the former government and, specifically, of the present Leader of the Opposition (Mr. Grossman).

When he was Minister of Health, he sanctioned the sale of the former Barnwell nursing home and the transfer of the licence and beds to the Progressive Conservative-held riding of Chatham. Rather than cancel the licence of the Barnwell home because of its alleged shortcomings and allot a new licence, the licence and beds were sold and the licence, beds and most of the residents were transferred to Chatham. This action has denied the people of Ridgetown and district the services of a nursing home since early 1982.

1340

Because of my own representations and similar representations of other members, the former government created the Compliance Plan Review Board. This board has the power to review and recommend that minor variants from the regulations can be accepted. Had this board been in place earlier, it is quite possible the Barnwell home could have continued, because the calibre of nursing care was not under question.

I am very pleased the residents of east Kent now see that this injustice visited upon them by the former government can be corrected. We thank the Minister of Health (Mr. Elston).

DELEGATION TO HAITI

Mr. Brandt: I rise to bring to the attention of my colleagues in the Legislature a rather interesting activity being engaged in by some 17 residents of the great riding of Sarnia. These residents are among a delegation which has recently returned from Haiti. The leader of the delegation is Ray Wyrzykowski, a local lawyer.

The concept started back in 1984 when some of these residents from Sarnia went to Haiti with the intention of assisting that very poor country

by bringing up its standard of living and helping with some of its construction projects. The delegation from Sarnia went there with everything from soap to construction materials, which they are making available to those residents.

I am sure the members of this Legislature would like to applaud the volunteer actions of a group such as that, willing to assist some of our less fortunate citizens in this troubled world of ours.

STATEMENTS BY THE MINISTRY

WILDLIFE '87

Hon. Mr. Kerrio: As members of this House know, this government is very much committed to keeping Ontario a world leader in the responsible management of wildlife. So I am very pleased to tell the members today that Ontario will be involved in Wildlife '87, the national wildlife conservation year declared by the federal government.

Wildlife '87 is a national effort commemorating the 100th anniversary of the creation of Canada's first wildlife sanctuary at Last Mountain Lake in Saskatchewan. The program has a number of objectives that are not only a priority for my ministry and the government but for a large proportion of the residents of Ontario.

First and foremost, Wildlife '87 will encourage wildlife conservation activities by individuals, businesses, governments and conservation organizations. We have already begun that encouragement. I am very pleased to announce today that the first winner of the Conservationist of the Month Award celebrating Wildlife '87 has been chosen under the program. It is being awarded to Lloyd Cook of Barrie, Ontario, for his long and distinguished record in the study, practice and teaching of humane trapping.

Recognition of contributions such as those made by Mr. Cook is one purpose of Wildlife '87. In addition, this program will provide a national theme and focus for our conservation activities, encourage and improve networking and dialogue among national conservation groups, and promote public awareness of the world conservation strategy. This is the strategy advocating sound wildlife management and conservation, written in 1980 by the International Union for Conservation of Nature and Natural Resources, or IUCN. It is endorsed by governments and independent groups around the world.

Ontario has a long-standing and proud record of leadership in wildlife management. We are an acknowledged leader in the management of fur-bearing animals and the study of rabies. In

the 1980s, our highly successful deer management program came to fruition and now stands as an example of sound wildlife management to other provinces and American states.

In this national wildlife conservation year, we will be moving aggressively to do our part. Wildlife conservation year will see Ontario taking steps to better manage black bear population, step up the reintroduction of peregrine falcons to the wild, spotlight our exciting and innovative new educational program called Project WILD and transfer moose to Michigan in co-operation with US conservationists.

We will emphasize our community wildlife involvement program, or CWIP, under which conservation-minded groups can get financial support for projects to improve wildlife habitats. This summer Ontario will make an important announcement with respect to the naming of a wetland of international significance at an international conservation convention in Regina, Saskatchewan.

Ontario will also be a strong participant at the convention of international trade in endangered species to be held in Ottawa this summer. Our active participation in this event will again show that Ontario is, without question, a leader in the field of wildlife management.

I am pleased to announce that during 1987 we will focus our expertise and management policies on the preparation of a discussion paper on long-range wildlife management. This ambitious initiative will take us into the next 100 years of wildlife management and is very much in keeping with the Wildlife '87 theme gaining momentum.

REGIONAL MUNICIPALITY OF HAMILTON-WENTWORTH

Hon. Mr. Grandmaître: I would like to advise the House that later today I will be introducing for first reading a bill to make an important amendment to the Regional Municipality of Hamilton-Wentworth Act. This will provide for the chairman of Hamilton-Wentworth to be elected at large by the residents of the entire regional municipality. This will replace the present method of having the chairman elected by members of the regional council.

This change has the support of the people of the region of Hamilton-Wentworth, the regional council and a majority of local councils. With the support of this House, this change will be in place in time for the 1988 municipal elections.

Je tiens à préciser, Monsieur le Président, que ce n'est là qu'un des nombreux changements à nos méthodes d'administration métropolitaine et régionale que notre gouvernement a entrepris d'apporter.

Comme les députés le savent, les municipalités de la communauté urbaine de Toronto examineront et commenteront bientôt les choix offerts pour améliorer l'administration municipale en ce qui concerne sa représentation et sa responsabilité.

Les municipalités ont jusqu'à la fin mars pour déposer leurs commentaires, ce qui, à notre avis, est très important pour la procédure. Avant toute décision finale sur les changements à apporter, il est donc essentiel que nous obtenions les données des municipalités et de la population.

In the near future I will be announcing a study of the regional municipality of Ottawa-Carleton. In that announcement, I will set out terms of reference and structure for review. I have been asked by the regional council to make this a wide-ranging review.

Je sais que plusieurs travaux de cette nature ont été réalisés auparavant et qu'on y a peu donné suite. Par conséquent, je préférerais que les régions me fassent elles-mêmes part de leurs préoccupations, qui pourront ainsi être couvertes par l'étude.

We will be undertaking or assisting in other reviews of regional municipalities as time and resources allow.

In conclusion, I want to assure the House that the change proposed for Hamilton-Wentworth is not an isolated event but part of a general strategy. My government intends to move on many fronts to ensure that citizens understand better the functions and capacities of local government in Ontario.

RESPONSES

REGIONAL MUNICIPALITY OF HAMILTON-WENTWORTH

Mr. Dean: I would like to reply briefly to the statement made by the Minister of Municipal Affairs (Mr. Grandmaître) regarding the election of a chairman for the regional council of Hamilton-Wentworth by the voters at large rather than by appointment.

Those of us who have a tradition of belonging to county councils know it is a time-honoured process there that the warden or chairman of the council has been elected by his or her peers in the council. It was on that basis that the first and, up to the present time, all of the appointments of

chairmen have, after election of the initial council, been made by the members of council.

Having served on such a council for some terms, I have noted that this has worked well. I must agree with the minister that there is support by a majority of the members of regional council, by a majority of the local councils and by a majority of citizens who took part in the plebiscite a few years ago on this issue. Therefore, it certainly is fitting that the majority wish be accommodated in this way.

1350

I must say, however, that I still retain some reservations because of the size of the constituency that will be represented by the regional area which comprises six provincial ridings. It will make it increasingly difficult for the ordinary person to run for a position such as that. I have some concern that it may restrict the candidacy of people who wish to be a chairman of the region elected in this fashion to those who have private means to ensure their support or, alternatively, partisan political support.

I do not think the latter is something we need in municipal councils. It works well in this area, but I do not think it works well there. I caution the minister and those who follow that this should be something they go into with their eyes wide open, albeit in the name of democracy.

WILDLIFE '87

Mr. Bernier: I want to respond to the Minister of Natural Resources (Mr. Kerrio) and compliment him and his government on recognizing Wildlife '87. I am most pleased that he recognized that Ontario is a world leader in the responsible management of wildlife. I hope he follows the 42-year tradition of the Tory government when it was on that side of the House in the management of the wildlife of this province and continues the sound practices of the previous administration.

I also want to commend the minister in recognizing Lloyd Cook as the conservationist of the month. That is an excellent choice. As we all know on this side of the House, Lloyd Cook is very instrumental in improved trapping programs and humane trapping in this province.

We on this side of the House look forward to working closely with the minister as we celebrate Wildlife '87. One of my very close friends, Jim Hook from Kenora, is on the federal side of that organization, and I know he will keep us all in line.

Mr. Harris: I do not want to compliment the minister at all. I want to talk to the minister about

the ridiculous statement on wetlands. Over two years ago, an inventory was taken to evaluate wetlands in Ontario. This is an ongoing process that has now been ongoing for about three years.

Mr. Speaker: Are you tying in with the statement?

Mr. Harris: The major part of the announcement is the big statement they are going to make on wetlands this summer. Today the minister is telling us about a big statement this summer on the wonderful things he is doing towards naming a wetland of international significance. He is not going to do it in Ontario; he is not going to do it today. It is already about two years behind time. He is going to do it in Regina.

On the whole issue of wetlands, we know that absolutely nothing, other than a silly statement by the Premier (Mr. Peterson) saying he is going to do something in a speech copying my leader's statement of two weeks before, has been done. Right now, we are asking farmers and all kinds of people to protect wetlands and we are offering them absolutely no compensation for it.

Interjections.

Mr. Speaker: Order.

Mr. Harris: I want to know why, in the statement he made today, the minister was talking about the significance of the announcement he is going to make about wetlands in Regina this summer when he has done absolutely nothing for two years to preserve these wetlands for Ontario or to provide some compensation to the farmers and other land owners we are asking to save these very important wetlands for Ontario.

Mr. Laughren: I too would like to respond to the Minister of Natural Resources. I must say it takes something that can best be described as chutzpah for the member for Nipissing (Mr. Harris) to get up and launch into a tirade about inaction on wetlands, given the history of the Tory government for the last number of years.

The Minister of Natural Resources has not moved with dispatch on the designation of wetlands. We still do not have a wetlands policy in Ontario. Despite all the years and all the studies, we do not have a wetlands policy in this province.

Before the minister beats his chest too much about the preservation of wildlife, he might take a look at a couple of his own policies, such as hunting deer in the Peterborough crown game preserve. I am not too sure what hunting deer in a crown game preserve does for the preservation of natural wildlife.

Finally, as a form of criticism, I really wonder how the minister can ever be viewed as a conservationist as long as he is willing to negotiate with the federal government to have chemicals sprayed on our forests that do not attack only the budworm but also all forms of life in the forests where the spray happens to fall.

Finally—a final “finally”—I commend the minister for his selection of the conservationist of the month award, and I hope he continues this practice.

REGIONAL MUNICIPALITY OF HAMILTON-WENTWORTH

Mr. Allen: In response to the statement by the Minister of Municipal Affairs (Mr. Grand-maître), I am delighted that the minister has been as good as his word and that he is following through in his co-operation with my initiative to achieve a democratic election of the regional chairman of the Hamilton-Wentworth area.

The minister will know I have been presenting this issue before the House for the last two years. We had a little difficulty with the previous administration when it came to enhancing local government democracy in this way. The previous Municipal Affairs minister was totally unsympathetic, and the cabinet of course followed his advice, and we got nowhere. When I introduced a private member's bill, this House was most gracious in its reception of it and provided in effect unanimous support for the bill when it was debated for second reading.

The government for its own reasons has felt it needs to take responsibility for municipal affairs, and I understand that. I would have preferred that it had come forward with my own bill, but the important thing is that this get done and that the further democratization of the regional government in our area take place.

I want to say the minister is wise, I think, in extending this initiative in a general sense to other regions in the province. I want to say at the same time that not every region is alike in its electoral characteristics, its demography, its scale of operations, its media relations and all the rest. Therefore, I would not suggest that what happens in Hamilton-Wentworth become the exact model for Ottawa-Carleton, or for Toronto for that matter.

I was a little amused that the minister provided his comments on what he was proposing for Toronto in French and for Ottawa-Carleton in English. I did not know whether he was attempting a little obfuscation there and whether

we should very carefully read those words to see whether there is anything hidden in them.

May I again say that we in this party all look forward to a greater spirit of democracy in our regional and local governments, and I hope that indicates that the part of my original bill that dealt with enhancing regional representation on police commissions in our region will be followed through. If not, I will have another bill for the minister, and we can work together on that one too.

ORAL QUESTIONS

WESTERN COAL

Ms. Fish: I have a question today for this Legislature's version of Toller Cranston, the Premier. Perhaps he would share with this House why he considered that a photo opportunity at a courthouse, at an Ontario high school and a skate on the Rideau Canal were more important to him than meeting with federal officials to discuss the implication of low-sulphur coal that would reduce Ontario's acid gas emissions by some 50 per cent and be of substantial benefit to Thunder Bay?

Hon. Mr. Peterson: I do not know how this little matter got out of hand. I gather the honourable member has read the newspaper and Mr. Mazankowski has been telling her about some difficulty co-ordinating dates. To the best of my knowledge, there was never a meeting planned for that particular day in Ottawa when the courthouse was opened and nice things were said about the member's former colleague Roy McMurtry in that regard.

We have tried on several occasions to make an appointment with the Deputy Prime Minister to discuss the matter of western coal, as the member may or may not be aware. I have arranged meetings for him with the president of Ontario Hydro. There have been working groups going on. We have been meeting with Premier Vander Zalm and Ontario Hydro as well as officials from the ministry in Alberta.

If the member would like to get into some of the substance of the problems, I will be very happy to discuss them with her, but I can assure the honourable member that I am prepared to meet with her or anyone else on this matter, even though it will be at least five years before anything develops because of the take-or-pay contracts which Ontario Hydro has at the present time.

Ms. Fish: The Premier himself on several occasions has complained about problems and the lack of the communication from the federal government on federal-provincial matters. He has had his Minister of the Environment (Mr. Bradley) flying down to the United States twice within a matter of days to try to persuade sportsmen there to join the fight against acid rain. Yet the Premier, with a clear opportunity in Ottawa to respond to the specific request for a meeting that would cut Ontario's acid gas emissions by 50 per cent if implemented, refused to do so. What is he really telling us, that he finds more headlines by fighting the feds than sitting down and having a proper meeting on such an important matter?

Hon. Mr. Peterson: Perhaps Mr. Mazankowski wrote that question for my honourable friend today in the House, but I can tell her with great respect that her interpretation of the events is completely fallacious. Indeed, I cannot believe even she believes what she has just said.

Let me explain the situation. There have been many meetings going on. I have already met far in advance of these so-called discussions with Premier Vander Zalm on the subject. I have told Ontario Hydro that I want it to buy everything possible from western coal producers. The member is aware, I am sure, that at the present time the landed price difference in Ontario is something like 47 per cent. In other words, it is substantially cheaper, because of transportation problems and other things, to bring in western coal.

The member will be aware that it would require a very substantial retrofit of the Ontario Hydro plants to use that coal. There are take-or-pay contracts signed by Ontario Hydro with other producers; signed, I do not believe in our administration but in the member's administration. If she is so interested in it, why did she not pursue these matters? I have actively pursued these matters with Premier Getty and Premier Vander Zalm, and Ontario Hydro is going through discussions. I can assure the honourable member I am most anxious to conclude deals if we possibly can. Many details have to be worked out.

Ms. Fish: The Premier has made reference to problems in the contracts and to retrofit in dealing with coal that might come from western Canada, knowing, I am sure, about the substantial retrofit required for Ontario Hydro to be burning high-sulphur US coal, which may be closer.

We have seen the conversion of the Minister of Energy (Mr. Kerrio) on the road to Darlington when he talks about Hydro being an independent organization—which the Premier used to refer to as a monster out of control—and says the final decisions on low-sulphur coal purchased from the west will have to be made by that independent board. Can the Premier tell the House today whether he supports the minister's view that the decision is entirely within Hydro or whether he is going to show some leadership and ensure that the purchase of low-sulphur western coal is made?

Hon. Mr. Peterson: I compliment the honourable member on her radical conversion with respect to coal purchased in this country, because that is not something her administration ever did. We are dealing now with a situation we inherited from that administration. If that is her new position on the matter, I am delighted to take it into account. But as I have said, and I will repeat it to the honourable member, I am sure she understands there are take-or-pay contracts in that regard; so even at best, it would take three, four or five years to work out the situation.

I have said to Mr. Mazankowski, as I have said to the member and to the western Premiers, that I believe it is a good thing for Confederation if we can buy in Canada. That is my preference. The honourable minister has expressed that view to his counterparts, as have I. We are searching for ways to do that. I am sure the honourable member would not be so superficial as to think that could be done tomorrow, particularly given those contracts that exist and given the fact particularly that our plants cannot accommodate that western coal at the present time without a massive retrofit.

I can assure the honourable member that we are doing the best we can to clean up the past we have inherited and to go on to build a stronger Canada through the purchase of western coal.

TECHNOLOGY FUND

Mr. Harris: I have a question to the Premier. He and the Treasurer (Mr. Nixon) have told reporters that external reviews have shown that Exploracom was not coming together and would need additional money to sustain it year after year. The Premier was also quoted last Thursday as saying, "All the reviews show that the project was being grossly mishandled and was out of control." Can the Premier tell us which company or companies conducted all these reviews and at what cost?

Hon. Mr. Peterson: I apologize that I cannot give the member the exact cost. Coopers and Lybrand was involved, as well as external auditors and lawyers, in looking at the entire situation. I believe Osler, Hoskin and Lang, Michener, as well as other accountants, were involved. I cannot give him the total cost.

Mr. Harris: The Premier has been asked about these reviews on a number of occasions. There are many people who do not believe these external reviews even exist. I say his credibility is in question. His stonewalling is doing nothing to disabuse those people who feel that way, that it is in this case the facts.

The Premier has made very serious allegations about his close friend. He has charged that Mr. Schwartz has mishandled funds, that "The whole project was out of control; expenses were way out of line," and it was not being managed properly. These are his allegations. If he is going to make these types of allegations mean anything, I suggest he had better be prepared to prove them. If these reviews are legitimate and if in fact they do exist, why does the Premier not table them here and now?

Hon. Mr. Peterson: I can assure the member I would be very happy to do so. I believe all the information should come out and, indeed, it will come out. We have had advice from the solicitors that it would not be appropriate at this time to make a response in this Legislature because it is subject to litigation that will be coming down the pike. I am sure that in the final wash, all this information will be shared with the member and I am delighted to see his support for the project.

Mr. Harris: When we questioned this project at the time he announced it, the Premier assured this House it had been properly reviewed. Obviously, that is not now the case. When he pulls the plug on Exploracom, he talks about these mysterious reviews, with vague references to companies he thinks are there. Why should anybody believe him? If all these reviews exist, he owes it to Mr. Schwartz, he owes it to the 46 laid-off employees and he owes it to all Exploracom's creditors to prove why his government reneged on his commitment.

Is Mr. Schwartz telling the truth when he says the Premier pulled out of this project for "strictly political reasons"? I also challenge the Premier; if he does not provide all these so-called legitimate external reviews, why should anyone trust anything he or his government says?

Hon. Mr. Peterson: I guess the member has a right to make these inflammatory statements in the House. He is entitled to his view on the

subject. I gather he has changed his mind on this whole project. It is an interesting conversion that his party has gone through on the matter.

As I said to him at the time of the original announcement, the concept is something this government believed in. Between the time of the original announcement and the time the contract was signed on terms and conditions everyone understood, it was our view with, as I said outside advice, that unfortunately the deal had not come together financially and it was going to be an operating drain in perpetuity on the taxpayers of this province.

I regret very much the decisions that had to be made. I would have much preferred to see the project go ahead, but we do have a responsibility to the taxpayers. I believe we exercised that responsibility with good judgement in the circumstances.

DAY CARE

Ms. Gigantes: My question is to the Minister of Community and Social Services. In the prolonged saga of policy and program development we have been witnessing from this government, the minister told us on December 2 that by January 26 he hoped he would have an agreement with the federal government that would allow federal funding to flow through to private profit-oriented day care centres in this province.

Why is the minister deliberately refusing to use the federal moneys which are available now through the Canada assistance plan to give direct operating grants to the nonprofit day care centres in this province?

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Hon. Mr. Sweeney: My recollection of needing information from the federal government dealt with the fact that we did not know what the ground rules were going to be in terms of the new programs we wanted to put forward. The member will be well aware that we are now on our way in a joint venture between ourselves and the federal government in establishing what those ground rules will be.

Given the rather short time frame for that joint review—approximately four to five months—it seems to me it would make a great deal more sense for us to wait and know what they are before we move ahead on any front.

Ms. Gigantes: As a supplementary, I would like to ask the minister why it is that having had to wait until last June for a policy paper that did not arrive, being told in December we should wait until January 26, now being told we have to wait until the end of June for federal-provincial

decisions to be made surrounding the question of funding for private profit-oriented day care services, the minister is refusing to use those mechanisms and funding programs which exist now in federal-provincial agreements under CAP to provide the moneys that nonprofit day care centres and the families who use them need.

Hon. Mr. Sweeney: One of the things we want to avoid, if we possibly can, is creating any more inequity in the system. It is our judgement that providing funding assistance to half the system and not to the other is going to create that greater inequity. I remind the honourable member that the document that was prepared for the federal task force clearly indicated that kind of inequity exists at the present time. It does not seem to make much sense, to me at least, that we would do any good by exacerbating an already bad situation.

Ms. Gigantes: What is the minister going to do for the municipally operated day care centre in Wingham where families are going to be facing fee hikes of from \$13 to \$26 per child per day come July? He has made no commitment that will allow that day care centre to keep operating. His holding back on policy and programs in this area means our nonprofit day care sector is threatened now. What is he going to do?

Hon. Mr. Sweeney: I believe the honourable member is referring to the situation where that particular municipality was using the indirect grant approach to keep the fees for that day care centre artificially low in terms of the real costs and of the costs that are more appropriate across the province.

The member will also be aware that we have given our assurance to each of those centres that transitional grants will be made available while a financial analysis and review are being made on an individual basis on each of these centres. Finally, it is my hope that by the time that review is complete, we will be able to put some of the new funding mechanisms in place.

PAPER MILL

Mr. Pouliot: I have a question for the Premier regarding the Kimberly-Clark control order issued last Friday.

Over the last month, the men and women of Terrace Bay in the great riding of Lake Nipigon have been the victims of a climate of anxiety that borders on the criminal. Men and women have seen their lifestyle and their community put into jeopardy simply because they were caught in limbo among the Ministry of the Environment's office, a parade of civil servants and the

inefficiency of the Premier's office in handling what is really a simple situation.

Can the Premier give us a guarantee today that never again will the people of Lake Nipigon, or for that matter, elsewhere in the province, be put in that kind of limbo, and that he will adopt a reasonable and comprehensive approach to deal with future control orders?

Hon. Mr. Peterson: I appreciate the point the honourable member makes in this Legislature. As one who is intimately involved in that community, he knows at first hand the difficulty that the discussion the government had with Kimberly-Clark has created. I accept that there was some insecurity over that entire discussion.

However, the honourable member will know there were two interests at stake here, which some would view as competing, that were very difficult to reconcile. He will be aware of past control orders that were not honoured. He will be aware of the amount of pollution that is coming out of that plant. At the same time, like myself, he wants to maintain those 1,600 jobs. I do not believe they are competing desires; I believe they are complementary.

That being said, many discussions went on for a long period of time. My honourable friend accuses this government of creating insecurity, but I can tell him there has been insecurity there for a very long period of time over the potential closedown of the mill and over discussions that are going on now with respect to the woodlands. I have been in Geraldton and Longlac; I have sat and talked with people.

I do not think the honourable member would want to leave the impression that this government is the only one that created insecurity. Indeed, I think the government and the minister came in and solved an extremely difficult situation in an honourable way. I think it is a win-win situation. It is our view that the environment will be cleaned up and the jobs will be maintained.

I apologize for any insecurity during the length of the discussion, but the honourable member will know that this government did not create all of that. It has been going on for a long time with respect to the operation of Kimberly-Clark, when there were suggestions it was going to be closed down, not this year but the year before that and the year before that, because it has lost a lot of money. We are determined to work with that company to get it profitable and clean up the environment. I think we have accomplished both and I want to thank the honourable member for his assistance in this matter.

Mrs. Grier: We on this side find it very hard to understand how the Premier can allege that it is a win-win situation and that he has accomplished both of his objectives. Can the Premier explain to the House why in all those protracted negotiations there was no negotiation of some guarantees that those jobs would remain, and why the control order that his office finally approved contains this very peculiar clause, clause 3(e), that says very explicitly, "The company reserves its full rights to suspend or terminate operations at Terrace Bay if necessary to comply with the order"?

What security is there in that; and why, instead of negotiating job guarantees, has he negotiated an out for the company and continued the insecurity?

Hon. Mr. Peterson: I say to the honourable member with great respect she is getting very confused on this matter. No one uses control orders to guarantee employment; that is not what control orders are about. They are to control pollution; and that is why it is there.

She cannot guarantee their jobs any more than I can. There has been a down-sizing in the mill, and they are now looking at the woodlands operation. The member would not want me to try to persuade her, or she try to persuade me, that we can use control orders to guarantee employment across northern Ontario.

It is a recognition of the realities of the situation. Any company can close down tomorrow or the day after that—I cannot prevent that. What we have done is talk to the company about looking for the best technology to solve that problem. As the honourable member knows, as one who is knowledgeable about the environment, there is a considerable amount of disagreement with respect to the appropriate technology to solve that problem, whether it is in-plant solutions or using a lagoon or some external system. There are very different opinions on that matter. Even with a lagoon, it would take a couple of years to build that lagoon.

I think the honourable member is confusing the matter. I do not think she would want to leave the impression that we can control the levels of employment through control orders. I am sure she does not believe that.

Mrs. Grier: I am well aware that control orders do not usually contain guarantees of employment, but they also do not usually contain phrases that say the company has the right to terminate its operations if it wants to, and that was the point I was raising with the Premier.

Can the Premier perhaps go further and explain to this House whether this is how all future control orders are going to be negotiated? Are control orders going to be negotiated by the Premier's office, with the Minister of the Environment (Mr. Bradley) brought in by plane from New York from the sportsmen's show to rubber-stamp the agreement? Is that how we are looking after the environment in this province at this point? Who is in charge of the environment?

Hon. Mr. Peterson: I say to the honourable member, who has gone to the mat many times with the Minister of the Environment—

Hon. Mr. Nixon: So to speak.

Hon. Mr. Peterson: So to speak. She knows full well who is in charge of the environment and she knows how he was lauded in New York. His attention is desired everywhere in North America as the leading spokesman for environmental matters. The member knows that as well as I do. I am very proud of the role we have played.

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The minister has demonstrated sensitivity and judgement rarely seen by some of the members opposite with respect to these matters. He has cleaned up the environment; he has saved the jobs. His presence is demanded in New York, Washington, Chicago, Terrace Bay; you name it. That minister is fully in charge, and we are all lucky that he is.

Mr. Harris: He may be a leading spokesman, but when it comes to action he sure pulls up the other end of the donkey.

Mr. Speaker: The question is to which minister?

Mr. Harris: I would like to ask a question of the Minister of Industry, Trade and Technology. Now that we know the deal for Kimberly-Clark has certainly failed miserably in protecting the environment—in fact, I think the Premier has signalled that US companies are now dictating Ontario environmental policies—can the minister tell us what involvement he or his ministry had in this deal that gave up on the environment and what job guarantees he was trying to secure or may have been able to secure for the 1,600 workers at Kimberly-Clark?

Hon. Mr. O'Neil: This ministry has been fully involved in the discussions that went on and the solution that was found. I was in Geraldton about a month ago dealing with many of the problems related to the woodlands and other things. We had a very successful evening there, and many things were resolved.

Mr. Harris: I beg to differ with the Premier. What we have here is a lose-lose situation. We have lost on the environment, we have accepted a US made-in-Dallas solution for the pollution equipment and we have no job guarantees.

Hon. Mr. Peterson: Your facts are wrong. You do not know what you are talking about.

Mr. Harris: The company signalled that in order to put in this \$20 million that was required to solve the environmental problem, it could afford only \$10 million. Did the minister explore \$10 million to this company for a win-win instead of a lose-lose? Did he perhaps explore the possibility of an equity position in the company for the sake of \$10 million? The \$10 million, by the way, is two years' sales tax revenue the Treasurer (Mr. Nixon) gets on those products that Kimberly-Clark sells.

Mr. Speaker: The questions have been asked.

Hon. Mr. Peterson: You do not know what you are talking about.

Hon. Mr. O'Neil: A couple of comments have come from this side that the member does not know what he is talking about. If he were to go to that area and talk to the people, he would see they are very happy with the decision and solution this government has brought about.

NORTHERN DEVELOPMENT

Mr. Morin-Strom: I have a question for the Premier about the study released by the United Steelworkers of America in regard to the future of Algoma Steel and what governments, as well as the company and the union, could do to improve the prospects for the long-term future of that company.

In particular, the union made a number of recommendations focused heavily on getting all the partners involved in the process. The key to that process includes the involvement of the provincial government. The recommendation for the provincial government was that as part of the provincial government's northern economic initiative it should encourage manufacturing industries that consume steel to relocate to Sault Ste. Marie to take advantage of Sault Ste. Marie's key industry.

Can the Premier tell us if he is going to take action in that regard, what that action will be and when we might see such industry locating in northern Ontario?

Hon. Mr. Peterson: A great deal of activity has gone on with respect to pursuing that particular idea, not just as a result of that report but prior to that. As the member knows, it was

one of the things talked about in the Rosehart report and other reports as well. Obviously, one of the things we would very much like to see is more secondary manufacturing in northern Ontario.

I do not think there is anybody who has looked at northern Ontario for the last 100 years who has not said the same thing. The member will be aware that is much easier to say than it is to do.

There are some discussions going on at the moment with respect to specific projects. I cannot honestly stand in my place and guarantee him that they will be successful. We are most cognizant of our desires to effect that change in northern Ontario and to bring in more secondary manufacturing. We are working on the projects. I wish I had a specific answer for the member, but I do not have one today.

Mr. Wildman: I have a supplementary of the Premier with regard to one of the specific discussions that are ongoing and particularly with regard to the short-term, immediate future of the Algoma Ore division operation in Wawa and the Algoma Central Railway. Can the Premier inform the House when he expects those discussions involving the federal government, his government and the two companies to be completed, and can he confirm that any subsidy of freight rates will involve assurances that the companies will be viable and job guarantees?

Hon. Mr. Peterson: Those discussions have been ongoing, as the member knows. This government indicated some time ago it was prepared to sit down and try to find a mutually acceptable solution between the various levels of government and the railroad. In addition, the federal government has recently indicated its willingness to participate as well. I cannot tell the honourable member the results of those discussions today. We are hopeful, but again there are many factors at play here.

With respect to the questions of the member and his colleague, both very legitimate questions, I do not want to raise false hopes. These are difficult discussions that are going on. There are many ramifications, including countervail and other things one has to think about and try to tailor the solutions to match our specific problems. I can assure the member they are very high priority for the government. If the member has any specific suggestions on how to do it, I am most anxious to have his help. We are determined to try to effect a real result, but I cannot tell him today what that will be, if, in fact, there will be one.

SERVICES EN FRANÇAIS

M. Poirier: J'ai une question pour la ministre des Affaires civiques et culturelles. Depuis quelques semaines, j'ai reçu nombre de lettres de francophones qui ont visité le Centre des sciences de l'Ontario. Certaines de ces personnes sont de mes commettants, d'autres sont des francophones d'ailleurs à l'échelle de l'Ontario, et le courant des lettres était le même. Ils se demandaient ce que notre gouvernement était pour faire pour améliorer les services en français au Centre des sciences de l'Ontario.

J'aimerais que la ministre m'explique, si c'est possible, comment elle va améliorer la situation du français au Centre des sciences de l'Ontario.

Hon. Ms. Munro: I should tell my honourable colleague that the ministry as a whole is on the forefront of impressing on people within our cultural industry, agencies and clients, the importance of our adherence to the use of both languages within our agencies. As part of that, the delivery of French-language services is paramount. We have impressed on all of the agencies in this case the importance of their documenting their commitment within the three-year plan.

I understand that as late as the middle of December, the Office of Francophone Affairs had been in touch with the Ontario Science Centre with some suggestions to which it wanted an answer—for example, signage, newsletters, the use of French by guides, etc. I am expecting the science centre will report back to that office and I can keep the member informed through that route.

M. Poirier: J'aimerais savoir si ce serait possible que les services soient en place avant les prochaines visites scolaires de fin d'année? Je pense que c'est très important de savoir cela.

Hon. Ms. Munro: The Ontario Science Centre has some tour guides who are proficient in both languages. With the member's question in the House today and the commitment of the science centre, I am sure we will see an escalation. Again, I will keep the member informed about the commitment.

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HAZARDOUS SPILL

Ms. Fish: My question is to the Premier. Returning to Ottawa, the Premier has already told us that in the course of skating around the canal he did not have time to meet with federal officials on an important environmental matter. Can he tell us if he did have the time to meet with

regional officials on the matter of the Lees Avenue coal tar cleanup?

Hon. Mr. Peterson: No. I have not met with them in that regard.

Ms. Fish: Fond as the Premier is of taking environmental matters away from the Minister of the Environment (Mr. Bradley), he is surely aware that the regional municipality has already spent in excess of \$8 million in cleaning up the coal tar deposits. Will he take this issue away from his Environment minister as well and make a serious offer to Ottawa-Carleton to pay the cost of that cleanup?

Hon. Mr. Peterson: This matter is firmly in the hands of the very able Minister of the Environment, and if the member has any questions in that regard, I am sure he will be happy to answer them for her.

LABOUR DISPUTE

Mr. D. S. Cooke: I have a question to the Minister of Labour regarding a strike in the minister's riding that I think is going to be a major test of the minister's ability to solve labour problems in Ontario. It concerns a strike at Maple Leaf Mills, which is owned by Archer-Daniel-Midland, a major United States company.

What steps has the minister taken to resolve this labour dispute, and in particular, what steps has he taken to turn around the company's position that one of its demands is that the Canadian Auto Workers union at this plant must insert in the contract a clause which will allow the workers to work over 48 hours a week, thus giving up their rights under labour legislation regarding overtime and implementing a policy this company has implemented with all its employees in the United States? Do we have to accept the policies of American corporations contrary to Ontario law?

Hon. Mr. Wrye: I am very concerned about this strike, as I am concerned any time there is a labour dispute. I am concerned about it not because it is in my riding, not because it is in my community, but because we have 78 men and women on the picket lines in a dispute in Ontario and we want that strike to end as quickly as possible. I want to make that clear to my friend.

I am well aware of this specific issue, which is a very troubling one. It is my view, and that of my ministry, that notwithstanding any agreement that may theoretically be reached along the lines pointed out by the honourable member, the Employment Standards Act will continue to apply with its minimums and individual complaints will be allowed to apply. I believe that,

through the involvement of senior officials of the industrial relations division, that point has been made to the company in this dispute.

I want to indicate to the member in a general sense that I have been involved personally, as has my assistant deputy minister and a very senior mediator, Dennis Nelson. We are hopeful the parties will resume direct bargaining within the next week to week and a half.

Mr. D. S. Cooke: What efforts has the minister taken to make sure this company does not hire scabs? As he knows, they have advertised in the local newspaper to hire scabs to break the strike, to break the union. He knows they have also recruited scabs through the local Manpower office, which advertised and tried to recruit scabs for this company. What has the minister done with respect to the union's request to him on Saturday that he directly contact the company and indicate that it should not be following this practice in Ontario? Or has he done what he told the union he was going to do on Saturday, which was to bring it back to his bureaucrats to let them make the decision?

Hon. Mr. Wrye: I had a meeting with the president of Local 195—and I believe he is the deputy plant chairman—Mike Renaud, on Saturday. The meeting was off the record. I am not prepared to discuss the specifics involved in that meeting. It was certainly off the record from my point of view. That matter was made clear to the gentleman before the meeting. I thought we had a very productive meeting and I have had an opportunity to discuss this matter since that time with a number of people. Beyond that, I do not think any other comments I can make publicly in this House will be helpful to resolving this dispute.

AGRICULTURAL FUNDING

Mr. Stevenson: I have a question for the Minister of Agriculture and Food. I have now received a copy of a letter from Brian Slemko, director of the food processing branch, to Mr. Squires, president of Natural Fry. This letter states that the minister will be seeking support for money for loan guarantees and that money would be coming from the Ontario Development Corp. and his cabinet colleagues. It goes on: "The administrative details regarding the loan guarantee are presently being prepared by the ministry and the ODC. It is our intention to obtain the appropriate approvals as soon as possible."

It is positive statements such as that, plus phone calls to bank managers by Doug Stone in the ministry, that led potato growers to continue

to sell to Natural Fry against their own personal concerns. The minister clearly has some responsibility for the financial position these growers are in. Will the minister not agree that he and his ministry are obligated to help these potato growers?

Hon. Mr. Riddell: Legal counsel for the Ministry of Agriculture and Food have advised me that since W. D. Potato Ltd. is contemplating a legal action against the crown, it would not be proper to comment further on the specifics of the Natural Fry situation. Based on that advice, most unfortunately, I decline to answer any such questions in order to protect the rights of the crown in any civil action.

However, if the member for Durham-York (Mr. Stevenson) is genuinely interested in the Ontario potato industry, I am pleased to report that progress has been made towards the development of a financial protection plan for processing potatoes.

A meeting in this connection involving the potato board, processors and ministry staff was held last week, and another meeting is planned for this week. Naturally, in the development of such a program, it is necessary through the meeting process to allow for full discussion of all the aspects that have to be considered.

Interjections.

Mr. Speaker: Order.

Mr. Stevenson: The minister will remember his statements made at the Ontario Federation of Agriculture: "I am in the driver's seat. I am in control now."

Mr. Speaker: Order. Does the member have a supplementary?

Mr. Stevenson: Yes, I do. The minister has the responsibility for his ministry and his staff. Why does he not get off his duff and help these financially troubled farmers get out of the mess the minister and his ministry have led them into?

Hon. Mr. Riddell: Mr. Speaker, continuing with the answer to the first question that you thought was a little too long, we are certainly prepared to look into the special problems that have been faced by the potato growers who sold their potatoes to Natural Fry. If indeed the potato growers and processors decide to put a financial protection program in place, I think we can find the way to help them.

NUCLEAR ARMS FREE ZONE

Mr. R. F. Johnston: I have a question of the Premier. First, I would like to quote the Premier:

"I am one of those who has become somewhat disillusioned with the process of private members' business and the introduction of resolutions. They have become all motherhood, because nothing happens to them. Theoretically, they should represent the weight of opinion of this House and they should have, at least, a strong moral force in the creation of public policy. But we have seen so many of those resolutions being well debated and then die."

I am getting the feeling that my resolution on nuclear weapons free zones is having the same kind of fate with the government. This weekend I sent the Premier copies of two bills as follow-ups to the nuclear weapons free zone resolution, and I would like his comments on them. The first was on assisting companies such as Litton to convert to civilian production and taking provincial action to assist companies to do that. What is his position on that? Would he be willing to bring in that kind of legislation in Ontario?

1440

Hon. Mr. Peterson: Let me compliment the honourable member on his choice of authorities. When I want to make my point in this Legislature, sometimes I quote some of the wisest, most thoughtful people I know of, be they some of the great philosophers, great historians or great politicians, be they Winston Churchill, John F. Kennedy, Spinoza, Schopenhauer or—

Hon. Mr. Nixon: Socrates.

Hon. Mr. Peterson: Socrates; and I compliment the member on his choice of authorities in this regard. It shows he is very well read.

With respect to the point he has raised in this House, I was not aware he had sent me a letter. I have been dealing with Mr. Mazankowski's mail, which I just received today, but I appreciate his telling me about this. I have not seen the substance of his bills, but I am prepared to discuss it with him when I have had a chance to go through them.

Mr. R. F. Johnston: I am disappointed that the Premier has not seen it as yet.

The second act is An Act to amend the Planning Act. I have been quite frustrated by the Premier's notion that there is nothing we can do in Ontario that is within our jurisdiction. It struck me that we have the Planning Act. I wonder whether the Premier will support the provision I am suggesting, "That every official plan shall be deemed to include a provision that no new facilities shall be established for and no facilities shall be converted to the production of nuclear weapons material in the province of Ontario."

Hon. Mr. Peterson: As I understand it, the two bills the member is talking about today have not been debated in this House. Is that correct? Obviously, he would not want me to prejudge something as important as private members' hour. He has the option of bringing them into the House. I look forward to that debate. I was not familiar with his amendment to the Planning Act in that regard, but I look forward to a thorough, wholesome and fulsome debate on the subject. Obviously, this government takes the views of private members very seriously.

The quotation the member used was talking about the past government, not about the present government, which is sensitive to the needs of private members. The member will recall that his very esteemed colleague the member for Bellwoods (Mr. McClellan) brought in a motion with respect to the Time Act. He will stand in history as the man who individually changed the way we read our watches in this province and I congratulate him. We do take thoughtful suggestions very seriously and I am sure this member's suggestions fall into that category. After they are fully debated and all the members have had an opportunity to express their points of view, I can assure him that this government will deal with it with all the seriousness it deserves.

COURT FACILITIES

Mr. Hennessy: On behalf of the people of Thunder Bay, I would like to ask the Premier a question. For seven years, Thunder Bay has been the only city in Ontario where trials are held in hotel rooms because of lack of court space. Lawyers often conduct interviews in halls, stairwells and washrooms. The lack of space and lack of decorum allows jury members to encounter the accused and witnesses, a situation that could lead to a mistrial. Thunder Bay has been fourth on a priority list for new court facilities. Why was Thunder Bay dropped from this list?

Hon. Mr. Peterson: I appreciate the honourable member bringing the point to my attention with respect to the inadequacy of court facilities in Thunder Bay. Regrettably, I do not think that is the only community where that has gone on in this province; there are others. He will know that there is a great long list of demands for courtroom facilities across the province. I am not aware—I could be misinformed—of Thunder Bay having been struck off any list. I will bring his thoughtful expression of concern to the attention of the Attorney General (Mr. Scott), who is responsible for these decisions.

Mr. Hennessy: In view of the Premier's concern about the north and his trying to represent northwestern Ontario with Liberal people, it seems very odd. Thunder Bay was fourth on the list. He gave courtrooms to Toronto, North Bay and Ottawa, but when it came time for the city of Thunder Bay to receive its courtroom, he conveniently took it off the list. He should not tell me he does not know he took it off the list. Why is he trying to treat the people in northwestern Ontario—he gets up and gives us a foolish answer such as that.

Hon. Mr. Peterson: I appreciate the thoughtful way the member puts his point. I am not sure what his point is about the Liberals being involved in this whole matter—

Interjection.

Hon. Mr. Peterson: I am not aware of that. I can tell him that this government has done a great number of things to support activity in northern Ontario. There is no question about that. I think the member will recognize that. On the point he raises, I said I would undertake to discuss it with the Attorney General. As I said, I am not aware of it being cut off anyone's list and I appreciate the honourable member's concern.

OCCUPATIONAL HEALTH AND SAFETY

Mr. Martel: I have a question for the Minister of Labour about the swamp. I have a letter and a document, dated one day apart, January 19 and 20, both signed by the Minister of Labour. In the one document, the Minister of Labour says to me with respect to the number of convictions of workers and employers, "The number of employers convicted under the Occupational Health and Safety Act, 158; the number of supervisors, 56; the number of workers, 28." The next document, one day later, signed by the Minister of Labour, says, "The number of companies convicted, 158; the number of workers who were charged and convicted, 229." Can the minister tell me which one of these two documents I should believe?

Hon. Mr. Wrye: Without looking at the two letters, I would have to check a minor, little detail, which is whether the time frames involved are exactly the same. I am sure the honourable gentleman likes to stand up and raise these questions out of the blue. Quite frankly, if he would like me to give him an answer, for the period between April 1986 and November 1986, the total was 198—118 employer-owners on a total of 138 counts, 37 supervisors on a total of 41 counts and 19 workers on a total of 19 counts. I also presume the member is not mixing individu-

als and companies in the number of counts, but until I look at those documents I cannot give him any better answer than that.

Mr. Martel: Since the fiscal year is 1985-86 on both documents, I cannot figure out the discrepancy, but maybe the minister can tell me the other discrepancy.

He is the tough fellow who is going to lay charges against everyone. Can he tell me why in the first fiscal year, 1984-85, there were 161 companies convicted and in 1985-86 there were 158, or three less; while at the same time, in the year 1984-85 there were 87 workers convicted and in 1985-86, his first full year, there were 229 workers convicted? Will the minister tell me who he is after, if it is not workers, where he has tripled the number of convictions and with the employers he reduced it by three? Is his position, as it was on Dateline Ontario, that it is the dumb workers who create their own problems and that is why he lays charges against them?

Hon. Mr. Wrye: I certainly approve of my friend's dedication to health and safety, but the problem with my friend is, he plucks a one-year number out of thin air and says, "This shows...." The problem with my friends on the other side is that they ask their questions and then they will not listen to a response.

Interjections.

Hon. Mr. Wrye: The problem is that a figure is plucked out of mid-air over one year, one specific figure. In asking his question, I notice the honourable gentleman did not wish to use the figures of the first nine months of this fiscal year, in which the recommendations to the legal branch for prosecution went up 95 per cent over the previous year. That figure includes companies, supervisors and workers. Unfortunately, it does not fit into the neat little world the honourable gentleman is trying to create and so he did not use it.

1450

GASOLINE TAX

Mr. Callahan: My question is addressed to the Treasurer. On my way up to Barrie on Friday evening, I heard a soliloquy being put forth by the member for Simcoe Centre (Mr. Rowe)—in a mini-torial, they call it—under the title "Barrie Drivers Are Ripped Off." He was addressing the question of the fixed tax as opposed to the ad valorem tax. I felt it was unfair that he went on to say that the Treasurer would have nothing to do with those additional funds. I would like to give the Treasurer an opportunity to tell us all the

things that have to be looked after as a result of the inactivity of the previous government.

Hon. Mr. Nixon: I certainly appreciate this special opportunity. I left my notes on the answer in my other suit. The honourable member really has inherent in his question the answer I would like to have put to the House, that is, that we decide democratically in this jurisdiction what the tax will be on a litre of motor vehicle fuel or gasoline. We think that is the appropriate way to do it.

In fact, we reduced the taxes at that time from the ad valorem 20 per cent, as it would have been. The member would know the projections for gasoline tax revenue of just a shade over \$1 billion are right on target. As a matter of fact, it is one of the few projections of revenue that has not changed since the budget.

One of the things that concerns me is that the revenues are down a bit as more efficient cars are brought on. The buoyancy of the economy has this effect, that more people are able to go out and buy a new car with the efficiency of the new engines. This is affecting our revenues in a negative way.

Mr. Speaker: New question, the member for Sarnia.

Interjections.

Mr. Speaker: Perhaps the member would just want to rest until the other members stop shouting across the floor.

UNEMPLOYMENT

Mr. Brandt: My question is for the Premier. The Premier will be aware that approximately two weeks ago I wrote a letter to him requesting a meeting that was asked for by a delegation from the city of Sarnia to discuss assistance for my community, which, as the Premier is aware, is undergoing some very serious unemployment problems as a result of the slowdown in the petrochemical industry.

My understanding is that the Premier did indicate to reporters outside of the House that he was prepared to meet with that delegation. My question to the Premier today is whether a time has been established with his office for the representatives from the Sarnia city council to meet with him. If not, will he agree to have his office make the necessary contacts to set up that meeting?

Hon. Mr. Peterson: I appreciate the honourable member's bringing these important matters to my attention in the House. I was quite aware of it and I did say I would be happy to meet.

Regrettably, since the member conveyed his message to me, I learned that the mayor of that community is very ill, and I am very sad about that situation. Of course, like many of his friends, I am optimistic that he will be recovering very quickly. It seemed appropriate that we would attend his recovery. As I understand it, he is currently in the hospital, although I may be wrong, but I am hopeful that as soon as he is out of the hospital and feeling better, we can get together.

Mr. Brandt: I want the Premier to be aware of the fact that there are some 900 out of 1,000 construction workers in one particular union at the moment who are unemployed in my community, and the figures would indicate that in the construction trades alone perhaps some 75 per cent of the construction workers are currently unable to find work.

The Premier is also aware, I am sure, that most of the growth that he and the Treasurer talk about in such optimistic terms relative to Ontario is taking place generally in the Metro Toronto area. The citizens of this province who live in the north, who live in the east and who live in the western part of the province are not enjoying the same level of buoyancy in the economy that they brag about so frequently on that side of the House.

I would like to ask whether the Premier, the Minister of Industry, Trade and Technology (Mr. O'Neil) or other members of his cabinet have any ideas, any solutions, any programs to bring forward that might alleviate the very critical unemployment problem my colleagues are facing in the north, many in the east, certainly in my community and others in the western part of Ontario.

Hon. Mr. Peterson: I am aware of the letter the member sent. As I recall, he asked me to move a ministry of the government to Sarnia. That was his specific suggestion to solve the problem. If my thoughts are wrong, then the member, I am sure, will correct me. He will be aware of the great decentralization program where we are in the process of moving thousands of jobs out of Toronto, particularly to northern Ontario, to try to stabilize those economies.

I think the Treasurer (Mr. Nixon) was the first one to stand up and say, "In spite of the buoyancy of the economy in this province, we recognize those regional disparities." He has applied a substantial amount of funds to solving those problems.

Sarnia is one community; there are other communities that are having difficulties at

present. Interestingly enough, this morning I met with a number of people in the chemical industry and I am somewhat familiar with the problems they are having.

We are, obviously, concerned about issues such as pricing, competitiveness, surplus tests and other things to keep that industry competitive. Any help the member can be in talking to his federal colleagues, his close friends in Ottawa who make so many of these decisions, to keep the petrochemical industry healthy and alive would be very much appreciated, not just by me but by his electorate in Sarnia as well.

I do not honestly think his suggestion of moving a ministry there is particularly constructive. It is one of the problems we have in this House. When we move a ministry somewhere else, everybody else would like to have the same ministry. I do not think at the moment that is what we are planning to do, because of the chronically depressed area of northern Ontario where we are putting our efforts at the moment.

However, we are looking at a number of industrial development opportunities right now. I know the honourable member has been looking at them. I am not in a position to announce anything today, but perhaps we can in the future.

I remind the honourable member, just in case he gets too pessimistic about this situation, it is tough there, but the employment numbers are better in this province than they have been in six years. That is a measure of the Treasurer's competence in running this province.

ENERGY-FROM-WASTE PLANT

Mr. Reville: Seeing that the Premier has not been able to talk out the clock, I would like to pose a question to the Minister of the Environment.

The minister has been sharing his joy at his reappointment to his ministry twice in this question period with my friend from Nickel Belt (Mr. Laughren). Now that he is in charge of the Ministry of the Environment again, I would like him to tell the House what he has decided to do as Minister of the Environment with the energy-from-waste proposal, a private sector proposal capable of burning 650 tons of garbage per day in the city of Toronto; whether or not he has decided to subject that private sector proposal to a full environmental assessment under the Environment Assessment Act, given that the citizens think a moratorium on energy from waste is a much more appropriate idea than speeding ahead with an energy-from-waste plant in south Riverdale.

Hon. Mr. Bradley: I guess what the stand might be would depend on whom the member would speak to and in what part of Ontario. I think there are a number of people on city council who have different points of view on this matter. I think Alderman Richard Gilbert—is he a New Democrat?—was in favour of it and others have not been in favour of it; so there is a division of opinion even within other parties.

I expect for the member's sake that we will have a decision very soon, because we now have information from the city council on what direction it would like to take; so I think we are now in a position to be able to give an answer to the member at the earliest opportunity. I know he has a sincere interest in this matter.

PETITIONS

DIALYSIS UNIT

Mr. Warner: I wish to table the following petition:

"To the Honourable the Lieutenant Governor and the Legislative Assembly of Ontario, we the undersigned beg leave to petition the parliament of Ontario as follows:

"That the Ministry of Health respond to the need for a renal dialysis unit at Scarborough General Hospital, since no such unit exists between the city of Toronto and the city of Kingston."

It is signed by 173 people. This brings the total now to 397. There are many more to come until we get that unit.

1500

HOSPITAL CLOSING

Mr. Guindon: I have a petition, which reads as follows:

"To the Lieutenant Governor and the Legislative Assembly of the province of Ontario:

"We, the undersigned, beg leave to petition the parliament of Ontario as follows:

"That any decision to close Macdonnell Memorial Hospital in Cornwall, Ontario, would add to an already unacceptable jobless rate and would only serve to add to unemployment and welfare rolls. We request the reassessment of this so-called cost-saving proposal so as to not cause undue hardship to employees of Macdonnell Memorial Hospital; and that guarantees of no job losses be put in place should the Minister of Health proceed with the building of another facility in Cornwall."

It is signed by 330 residents of Cornwall.

MOTION

COMMITTEE SITTING

Hon. Mr. Nixon moved that the select committee on the environment be authorized to meet on Thursday, February 5, 1987, following routine proceedings.

Motion agreed to.

INTRODUCTION OF BILLS

REGIONAL MUNICIPALITY OF HAMILTON-WENTWORTH STATUTE LAW AMENDMENT ACT

Hon. Mr. Grandmaitre moved first reading of Bill 192, An Act to amend the Regional Municipality of Hamilton-Wentworth Act and the Municipal Elections Act.

Motion agreed to.

CITY OF MISSISSAUGA ACT

Mr. Offer moved first reading of Bill Pr66, An Act respecting the City of Mississauga.

Motion agreed to.

PLANNING AMENDMENT ACT

Mr. R. F. Johnston moved first reading of Bill 193, An Act to amend the Planning Act.

Motion agreed to.

Mr. R. F. Johnston: Let me apologize for not having a form to go with the bill. My mind was elsewhere. Members should not ask me where.

I have a brief comment or two about the bill. This is an amendment to the Planning Act, which will do two things. First, it will add to the list of factors the minister must consider in carrying out his duties the question about whether health, social fabric and environment are threatened by the production of nuclear weapons material.

Second, it will be deemed to be the case that all official plans in Ontario will make impossible the production and manufacture of nuclear weapons or their component parts in Ontario.

NUCLEAR WEAPONS ECONOMIC CONVERSION ACT

Mr. R. F. Johnston moved first reading of Bill 194, An Act to provide for the Conversion of Technologies and Skills used in the Nuclear Weapons Industry to Civilian Uses.

Motion agreed to.

Mr. R. F. Johnston: This bill is the first of its kind I know of in Canada, although similar bills have been brought before Congress in the United States. Essentially, it provides for any company that is involved in a nuclear weapons contract to

undertake establishment of a committee of its employees, its management and people from the community to work on a plan to convert the uses of that plant after the expiration of the contract for civilian uses, and if no plan can be brought about for those purposes, at least to provide a fund to protect the workers who would lose their jobs at the end of that contract.

HIGH STREET RECREATION COMPLEX OF ST. THOMAS AND ELGIN ACT

Mr. McNeil moved first reading of Bill Pr44, An Act respecting the High Street Recreation Complex of St. Thomas and Elgin.

Motion agreed to.

ORDERS OF THE DAY

THIRD READINGS

The following bills were given third reading on motion:

Bill 161, An Act to amend the Courts of Justice Act, 1984;

Bill 163, An Act to repeal the Inflation Restraint Act, 1982, and the Public Sector Prices and Compensation Review Act, 1983;

Bill 164, An Act to repeal the Farm Loans Act and the Farm Loans Adjustment Act;

Bill 186, An Act to amend the Election Finances Act, 1986.

1510

House in committee of supply.

ESTIMATES, MINISTRY OF INTERGOVERNMENTAL AFFAIRS

On vote 301, ministry administration program:

Hon. Mr. Nixon: The Premier (Mr. Peterson), who will be responding to these estimates, will be here in a moment. He is washing his hands.

Mr. Chairman: Do you wish to speak for a while until he gets here?

Hon. Mr. Nixon: I am sure that if the honourable members want to address comments or questions, our efficient public address system will bring their views to him as he even now moves towards the chamber.

Mr. Wildman: If the Premier is within earshot, perhaps I can make a few comments.

Mr. Chairman: I am sorry, I cannot hear you.

Mr. Wildman: If you cannot hear me, he

cannot either. I said, if the Premier is within earshot, I will make a few comments.

I am particularly concerned, under the main office of the Ministry of Intergovernmental Affairs, about two or three particular issues. The first I would like to deal with is the question of aboriginal rights.

As the House knows, the federal government and the provincial governments, along with the native organizations in this country, made a commitment that by this year a conference would be held that would deal with a constitutional amendment related to native rights. I understand that a conference was held just within the last couple of weeks in Halifax in preparation for that conference.

The impression from reading the press is that the conference was not very successful; that in fact there are major differences between the federal government and the Indian organizations. Certainly the comments of Mr. Erasmus during the conference and subsequent to the conference do not bode well for success in reaching a consensus that would be acceptable to the aboriginal organizations as well as to the federal government and the provincial governments, or certainly all of the provincial governments.

The Premier will recall that at the time in October when the Chiefs of Ontario held a rally in front of the Legislature, the aboriginal organizations of this province requested a commitment from the provincial government that this government would not enter into an accord with regard to the passage of a constitutional amendment unless such an amendment were acceptable to the aboriginal organizations.

Basically, what they were asking for was a veto, and I am not sure what the Premier's view is of that. It seems to me that what the Indian organizations are asking for is that they will not be faced with a *fait accompli*; that they will not be faced, as was Quebec earlier, with the kind of kitchen accord that brought about an amendment and a historic change to the Constitution that was not acceptable to that province.

What the aboriginal organizations of Ontario are requesting, what the Chiefs of Ontario are requesting, basically is that no agreement will be accepted by the government of Ontario unless that agreement on the wording of an amendment has in fact already been accepted as appropriate by the aboriginal organizations of this province.

I do not know whether it would be better for me to go on with the other matters I wanted to raise or whether the Premier would like to respond immediately to that particular issue.

Hon. Mr. Peterson: I am very happy to respond now. Just as a matter of general style of conducting the discussion, I am very happy to respond issue by issue. Let me say that if the member takes exception to something I say or would like to add to it, or if some other member wants to add remarks on this issue while we are discussing it, then I am very happy to conduct the discussions this way; because it is a difficult issue, the honourable member will be aware of that. It is a complicated, and it needs the advice and benefit of all members of this House. I suspect it is one of those issues that we all care about. We all have some knowledge about it, and particularly as we are moving towards a first ministers' conference on this issue on March 26 and 27, I am anxious to have the benefit of the experience of my colleagues.

The member is quite right; although I will be intimately involved in these discussions, the essential carriage is with the Attorney General (Mr. Scott), who was in Halifax a couple of weeks ago at those discussions. Really, we continue on the same line I inherited from my predecessor, Mr. Davis, and others in the previous government. In general terms, we would like to see a constitutional amendment. We would like to see the native peoples included, and in the long run we want to see the setting of the terms for self-government to be negotiated.

I do not want to be presumptuous. I suspect everyone in the House agrees in general terms with that thrust. If some do not, I would be happy to have them share their views with me. Certainly, it would be helpful to me and the Attorney General when we go to the talks in a couple of weeks to have that assistance from the House, knowing we have our colleagues standing behind us on this issue.

I recall the meeting on the front lawn, and I recall the question in the House that day with respect to the veto. Will we sign anything that has not been agreed to by the native people? I say to the honourable member that even though that sounds good and is something that would be nice to say "yes" to, it is more complicated than that. I cannot give him that absolutely flat assurance.

I can assure him that if the native people of this province do not like what is coming out of these discussions, it will give us great pause. It is not our intention to railroad something over them. It is something we want to discuss, negotiate, share and consult with them about. I can assure him I do not think we are going to run into a back room, make a deal and foist it down other people's throats. To give that blanket assurance that we

will not under any circumstances raises a number of questions.

One, whose veto? As the member knows, no group, including the native people, is monolithic. They have their elected organizations, as do we, but there are a variety of different voices. There is no guarantee there will be unanimity in that regard. As I said, we ignore their advice in these matters at our peril, but I think we have to leave the government some flexibility in that regard.

Second, it depends on the discussions with our colleagues and peers at the first ministers' conference, what will come out, the kinds of shades and nuances. My experience with these things—and I do not pretend to be all-seeing or all-knowledgeable about these issues—is that compromise is frequently the order of the day.

This is going to be a difficult decision. I say to my honourable friend—and I am not here to criticize my sister provinces or Premiers in any way—this province is one of the most advanced on this particular issue. We are further ahead than a number of the other provinces in the sense of looking for a settlement.

It may be what comes out of the pipe. It is not going to be my decision; it is going to be agreed on among my peers. It may not be perfect. Maybe other people will want more. Then we will have to ask the question, "Shall we go part-way? Is half a loaf, a quarter of a loaf or three quarters of a loaf better than no loaf?" We do not know the answers to those questions at this time.

I would not like to saddle the people of Ontario, the government and my colleagues with an absolutely flat assurance on that matter. As I have said, if we come to a conclusion with which the member disagrees or the native people disagree, we make that decision at our peril. Leadership is sometimes a lonely job. No matter what we do, we will be criticized.

It is like this House. I come in here and I know I am going to be criticized, no matter what happens. That is the reality of the business. We want to make a fair-minded decision. We are committed to rectifying some historic injustices with respect to our native people. The member would be aware of some of the offers of land claims and other things that have been made that frankly, in an historic perspective, are major breakthroughs.

The member can argue, and I would argue, that it is not happening fast enough. There are still lots of frustrations for all of us in this regard. I cannot give my honourable friend that blanket

assurance, but I am most anxious to hear any advice he has in that regard. I hope I have answered his question.

1520

Mr. Wildman: I would like to ask a supplementary to this.

Mr. Sterling: I have a supplementary as well.

Mr. Chairman: On the same subject or a different subject?

Mr. Wildman: On the same subject; it is just a supplementary. I know the interest of my friend opposite because of his former responsibilities in cabinet on this issue.

I understand the comments the Premier has made. I would like to ask him specifically whether he can give us some idea of how the Ontario delegation to the conference will be made up. I recall that in the earlier discussions of the Constitution and native rights, a number of representatives of Ontario aboriginal organizations were included in the Ontario delegation. Also, I thought the then minister, the Honourable Tom Wells, was very gracious in extending an invitation to one member, I think, of each of the two opposition parties at that time to attend as observers to the conference. It was most helpful. I agree with the Premier that it is important for all members of this House, as well as the members of the government, to be informed and to know what is going on. It might be beneficial if members of the opposition can attend as observers; obviously they are not participants.

In regard to what the Premier said about the difficulty in gaining unanimity, that is well taken, but if the Premier is unable to say categorically that no agreement will be reached without the full acceptance of the native organizations, at least it is important for us to note the Premier said reaching an agreement that is not acceptable to the native organizations would be at the peril of the government. I think that certainly is an indication this government is prepared to do everything it can to gain unanimity or to gain consensus—consensus perhaps is a better term—on whatever proposals are made for Indian rights in the amendment to the Constitution. I accept that view. I understand what the Premier is saying. Perhaps he can give us some indication of how the Ontario delegation will be constituted.

Hon. Mr. Peterson: We are inviting, to all ministerial meetings, representatives of the Ontario Metis and Non-Status Indian Association, the Chiefs of Ontario and the Ontario Native Women's Association. To the best of my

knowledge, the relationships are reasonably close. They are familiar with what we are doing.

We are privileged to have an Attorney General who is very knowledgeable about these issues and who has spent a good part of his professional life, prior to coming into public life, dealing with these questions. Apart from having a professional interest, he has a deep, personal interest as we sort through these problems. I am delighted I will be able to have his assistance.

The member's idea is excellent. I had not really applied my mind to the question of the composition of the delegation but I hereby invite the member. It is an excellent idea. Perhaps the appropriate thing to do is to signify that to the leader of his party, who will make the appropriate designation. I will be very happy to have the member. I particularly hope his leader will choose him because of his great knowledge and interest in this subject and the help he can be to the Ontario delegation. I will do the same thing with the Leader of the Opposition (Mr. Grossman). I hope we have all the help we can get in resolving these questions.

It is not going to be an easy fight. I am one of those people who are great optimists in life. I want very much to see a resolution. A lot of things have been hanging around in our society for a long period of time and are not going to go away. My view is we should wrestle with them, deal with them and get on with building the future.

This one certainly antedates me; I hope it does not postdate me, or any of us for that matter. We need everybody's help. I will officially extend that invitation. I will ask the deputy minister to do that. If I forget, he will remind me.

Mr. Sterling: I believe the Premier has acknowledged the role of the previous government and basically has stated that our position has not changed with regard to the thrust Ontario took in trying to propel our native communities to the status of self-government. He has also learned that to propel people to that status is not as easy as just handing over power and control to a group of individuals, because they live in a very complicated society and have very many different relationships with society.

In Ontario we have status Indians, nonstatus Indians, Metis, status Indians who live off reserves and status Indians who live on reserves. We have a number of different native communities to deal with. In dealing with self-government, we have to try to deal with all those different groups. I do not think many people in Ontario are aware that Ontario has more natives

than any other province in Canada, although they do not make up as great a percentage as other groups do.

Having been one of the ministers who was involved, two constitutional conferences ago, with the delegation that went to the conference and with the people who were involved with it, I advise the Premier to listen very closely to one group, the native women's group. The native women's group probably has its feet more firmly planted on the ground than any of the other native groups one may talk to. In my view, they have the genuine concerns of the native communities within the grasp of their understanding and are most anxious to make progress of any sort in improving their situation and making their communities become more self-determining.

The Premier knows that some time ago Ontario, I believe along with Manitoba and New Brunswick, supported the entrenchment of principles that would lead to the altering of section 35 of our Constitution. I ask the Premier whether he still stands behind the entrenchment of those principles and whether other provinces or the federal government have fallen in behind him.

I understand that this next conference is the last conference to deal with aboriginal rights for which a timetable has been set. Because I am somewhat removed from the negotiations at this time, I am not aware whether there are plans to hold subsequent conferences dealing with native rights, and in particular with self-government.

The only other piece of advice I will offer is that no one in all these discussions ever seems to talk about the burdensome side of government. They talk about exercising the powers of government; they talk about exercising the power to make rules, to run courts, to run their police forces and to run their educational systems.

I have no objection to allowing a far greater amount of autonomy in dealing with these matters, and after some kind of trial period, perhaps even going farther and farther down the road to allowing them all kinds of liberties in terms of self-government, but somewhere along the line some politician has to stand up and ask: "Where does the responsibility end in terms of self-government? Where does that stop? Where does the right to make the rules and spend the money, the right to do all these different things stop, and where does the responsibility in terms of obligations come in? When do native communities have to become financially responsible or partially responsible?" There have to be some choices, when you talk about governing, for communities not only to benefit in some ways but

also, if they make wrong decisions, to suffer in some ways as well.

1530

I do not have the firsthand experience in the riding I represent that the member for Algoma (Mr. Wildman) has. When I was Provincial Secretary for Justice, I believe I engendered a certain degree of trust between myself and the native communities. Although we did not seem to progress in terms of advancement in a lot of ways, I think the former government—Mr. Davis, Mr. McMurtry, Mr. Wells and, I hope, myself—was propelled by the right motives in terms of trying to push the progress of this whole process forward.

I had hoped the Premier, along with the Attorney General and the government, would continue that process in the future. Given the goodwill of all members of the Legislature, as exhibited by the member for Algoma and I can speak on our party's behalf, we are very much in favour of going down this road and will support the government's efforts to deal with this problem.

Hon. Mr. Peterson: I appreciate very much the thoughtful remarks by my colleagues on this issue. We all share, for want of a better word, a collective sense of guilt and a collective sense of determination to try to do something with this question. I cannot honestly predict the result to the member, with the role of the other provinces in this matter. As the member knows, Ontario does not have the right to go it alone. I think my honourable colleague is right that the last formally agreed-to meeting was two years ago. That was the last regularly scheduled meeting resulting from the last constitutional round.

At that point, the complexion of the country was quite substantially different to what it is now. As the member knows, the people who agreed to that were a latter-day set of Fathers of Confederation, people like Bill Davis, René Lévesque, Lougheed and others who were in the country, and then Prime Minister Trudeau. The interesting question is going to be to find out the resolve of the new round of players.

As the member knows, the political leadership in this country at the first ministerial level has changed quite substantially in the last couple of years. There has been a more than 50 per cent turnover. It is going to be an interesting thing to see the resolve of that group. I think that first group that I talked about—Messrs. Davis, Trudeau and others—did have a determination to try to solve this problem, could not solve it, but left it over for a couple of meetings and were hoping

something would result out of it. I do not honestly know how it will turn out. There might be a decision coming out of it to meet again if some of the issues are not resolved. Frankly, I think a lot of it will depend on the leadership of the Prime Minister.

That is not to say for a moment that I do not have a responsibility in this matter. I do and I accept that, but I think it is not impossible that the Prime Minister, if he seizes this as an issue of personal responsibility and is prepared to drive it, as he has the greatest power to drive the national agenda, could make things happen; if not at this meeting then at some future meeting. That is something for the future to determine. I just say to the member that I hope we do not need any more meetings. I hope we can solve it at this next meeting. That will be the approach that I will take with the members' help and guidance.

To answer the member's question with respect to the change of the sexual equality provisions of section 35, we are still supportive of the policy position taken at the first ministers' conference in March 1985. I am told it has not been a major focus of the discussion over the past 12 months but is, in fact, still on the agenda.

I hope I have answered the member's questions. I hope his leader will choose him to join us on that occasion when we can take advantage of his specific advice.

Mr. Sterling: May I just make one other brief comment? One of the problems in dealing with native rights that I experienced was over who is responsible for which group of native people one is dealing with. There has always and for ever been a confusion as to who is responsible for which individuals in dealing with natives. Who is responsible for natives who live on reserves? Who is responsible for natives who live off reserves? Who is responsible for the Metis? Who is responsible for our first aboriginal people? Who is responsible for nonstatus natives?

The problem is that the confusion continues. My suggestion to the Premier is that he should try to draw some lines as to who is going to be responsible for this group and who is going to be responsible for that group. No matter what resources he or his government is kind enough to put forward for the native community, if he duplicates what the federal government is responsible for, he will be diluting his efforts.

It has always been my feeling the Premier should draw the line in terms of his responsibility for dealing with nonstatus Indians and their needs in urban communities, in dealing with Metis and in dealing with status Indians who do not live on

the reserves and leave the other matter for the federal government to deal with. If he could draw those lines more distinctly, I think progress could be more easily made.

Hon. Mr. Peterson: That point is well taken. The more we delve into the detail of this situation, the more we see how infinitely complicated it is. We tend to think of status Indians on reserves when we think of the native people question. As the honourable member said, it is way beyond that, to people in urban communities in the south and others as well.

I do not know the answer to his question about who is responsible for whom. It is an extremely difficult decision we have to make. I remember when we came in to form the government a year and a half or so ago, I asked myself the question, "Should this matter have a separate minister responsible for native affairs?" We came to the conclusion it would not be too sound a thing to do organizationally. How do you deal with native health, education, housing, policing and all the other things that are part of the system? It is part of their community; so we do it through a cabinet committee, chaired by the Attorney General, the minister responsible for native affairs.

In a way, that is the same organizational problem we have when organizing a difficult concept like race relations or women's issues for that matter. Women are obviously involved in every single part of every ministry right across the board. It is the question of trying to co-ordinate our response, getting everyone singing out of the same hymnbook and forcing each ministry to take an active and supportive role in the policy and direction the government has set.

The member's advice is well taken. I do not have a better answer for him than that at the moment. We will try not to let this thing get so diffused that it ends up turning into nothing.

Mr. Wildman: I do not want to prolong this issue, but there are a couple of comments I want to make in conclusion. Perhaps the Premier can respond to them.

In regard to his statement that the players are different, that is quite true, but there are still some players who were around at that time. One is Mr. Pawley and the other is Mr. Hatfield. Along with Ontario, those two provinces and those two Premiers were out front in trying to bring about a satisfactory consensus to all. There were some problems other provinces had, whether it was British Columbia, Saskatchewan or Alberta particularly; Nova Scotia had some difficulties as well.

In regard to Quebec, I know I am simplifying it, but it seems to me that at the time, because of the differences between the péquiste government and the federal government and the fact that the kitchen deal had been made behind the back of Mr. Lévesque, the Quebec government took the position that it was not going to participate. It did not see the new Constitution as being acceptable because it was not part of the deal. With this, they sat there and basically did not say very much.

With Mr. Bourassa now, with the new government and the new view of Quebec's position in confederation, particularly with the new Prime Minister, who is from Quebec and who perhaps, unlike his predecessor, can take a fresh look at this, we do have a chance to move ahead and bring about a consensus, at least among the number of provinces that are required to bring about a satisfactory conclusion.

1540

I want to make a couple of comments about the question of self-government. I understand the view of my colleague the member for Carleton-Grenville (Mr. Sterling) that not only must people who are gaining self-government understand the rights involved and the right to set the rules and determine their own destiny, but also they must take on the responsibility.

I submit that in a situation where people historically have not been given the opportunity to make mistakes, we, the people who have decided they should not have been given that opportunity, have to be prepared to accept the fact that in some cases they will do so. It is going to be a long learning process for the aboriginal organizations, the Indian bands and for us. We have to be prepared to say that we accept the fact that not everything is going to go right and that there will be problems. I think everyone involved understands there are going to be problems.

I for one have a great deal of confidence, though, that the Indian bands of this province and the other Indian and aboriginal organizations have a great deal of expertise and ability, not only to represent the concerns of their people well but also, if and when they are given the chance, actually to institute and implement programs and policies that will respond to and deal with those concerns in a much better way than white governments—forgive me if I use that term, but I am going to use it—have been able to do.

My friend the member for Cochrane North (Mr. Fontaine) has a lot of sympathy for what I am saying. I know his interest in this issue and I understand the interest of the Attorney General as well.

I am optimistic; I am not pessimistic about self-government. There are going to be problems. It is not going to be easy, but whenever you are talking about the self-determination of people, you have to be prepared to say that the destiny of that people will be determined by them as much as possible and that if sometimes they take a wrong turn on the road to their destiny, that is to be expected, but we will not condemn them the first time a mistake is made.

With regard to the responsibility for the various types of aboriginals we have determined through the Indian Act and other pieces of legislation—because it is we who have made the divisions, not they—it is important to recognize there is a large group of people who have historically fallen between the cracks.

The problems of Indian women have already been mentioned. We have had the issues about Metis and nonstatus people raised time and again, but we have also had a group of status Indian people, people who are treaty Indians, who do not live on reserves. In my riding, I can point to the community of Hornepayne, where there is a long-established community of mainly status Indian people who have no reserve. They are living off the reserve. Many of them are members of one or other of the Longlac bands, but they are many miles from Longlac. Some are even members of the Moose Factory band and are even more distant from there and were not born there. They were born and raised in Hornepayne, but they have no reserve.

It is a condemnation of white government historically. Those people did not receive any education until 1968 because they were status Indians. If they had lived on the reserve, they would have got an education, but because they lived off the reserve, they were not seen as the responsibility of the provincial government because they were status Indians, and they were not seen as the responsibility of the federal government, because they were not living on a reserve. We have had many problems in that community because they were missed and were not served by either of the governments. Since 1968, of course, they have been eligible and are being educated through the local board of education or the separate school board, with funding from the provincial government.

I think it is also important for us to remember in talking about self-government that it was not until the 1960s that Indians were allowed to vote in this country. That was not very long ago.

The Premier said we all share the guilt. I suppose that is a facile comment, I do not think

he meant it that way, but in fact we all do; we really do. With this constitutional conference and the possibility of an amendment, we have a chance to start putting things right and we have a chance to stop doing things for native people or even to allow native people to do things for themselves. We have a chance actually to operate as partners, equals, their leaders and the leaders of the white community, to make a community that is good for all of us and that allows all of us to reach our potential. It is not going to be easy, but I am optimistic and I am looking forward to it.

This government could look provincially at the problem of status people off a reserve and deal with a couple of issues. We have had some problems with the Ministry of Revenue and the whole question of the eligibility of status Indian people for paying taxes and the question of whether the Indian Act, archaic as that piece of legislation is, does protect the treaty right of treaty Indians not to pay tax if they do not live on the reserve. There is even some question about whether or not they should have to pay something like sales tax if they live on the reserve. That has sort of been worked out with an ad hoc approach, so that basically they are not having to pay the tax. There are some problems with cigarettes, but let us not get into that.

The question still remains: what about the treaty Indian who believes he or she has treaty rights but does not live on the reserve? If it is complicated now, it is going to be even more complicated with self-government and recognizing who is a member of a band and who is not.

I do not suppose we can resolve these questions here today, but those are some of the kinds of issues that are going to have to be dealt with when we do reach the point of recognizing aboriginal self-government in this country and in this province. It is something I am particularly interested in, but I know most members of the House share an interest, whether or not they have many native people in their ridings. It is something that is of importance not only to the Indian community, and the Metis and nonstatus Indian community, but also to all of us as people who believe in fairness and equity in our society.

1550

Hon. Mr. Peterson: I am not sure I can add much to the remarks of the honourable member. I thank him for his eloquent speech. He makes the impassioned plea as a committed democrat not to be too harsh if, after we turn over responsibilities, people make mistakes. I think his point is well taken. If one believes in people's right to self-determination, one has to believe in their

right to enjoy the fruits of that success or to fail as well. I very much respect what the member has said.

Some of my best friends in this House have made mistakes along the way. Does anyone find me critical? I am very supportive. I am sympathetic when my friends turn too far to the left or too far to the right and could not keep true on that path that we think is important on this side of the House, but that is a reality as well.

I will keep my friend's words in mind, but I do not think I can add anything at all to his eloquent speech.

Mr. McFadden: I have two or three questions of the Premier. One matter is a follow-up to the estimates of a few weeks ago. Has he managed to secure information as to the amount of money the province currently has allocated in terms of representations in Washington?

As he will recall, during the last estimates we talked about the potential desirability of having an office or some kind of ongoing presence in Washington. Given the fact that we do not now have that representation, would the Premier now have the figures, which he said he would be able to provide to us, concerning the amount we are currently spending on whatever representation we are making in Washington in all the various issues related to Canada-US trade and all other matters to do with pollution and so on involving Ontario?

Hon. Mr. Peterson: To answer the member's questions specifically, divided by ministry, the Ministry of Agriculture and Food in 1986-87 retained the firm AgriWashington on a fee-for-service basis to provide information and advice on US agricultural policy, for a total of US\$13,726 to date.

The Ministry of Energy no longer retains an information agent in Washington; however, Ontario Hydro retained the Washington-based law firm of Kirby, Gillick, Schwartz and Tuohey to provide information and advice on US energy policy for the calendar year 1986 at a cost of US\$65,000. Hydro is currently negotiating a contract for legal service in 1987. Hydro also retains the services of Mahalley and Associates to provide information and advice on new business ventures, particularly in the Middle East via the sale of technology, provision of training, etc., via Canadian International Development Agency programs and World Bank funding.

The Ministry of the Environment retained the firm of Wellford, Wegman, Krulwich and Hoff from August 1985 to March 31, 1986, to provide regular reports and advice on US policy on acid

rain, Superfund and the Clean Water Act. The total cost was approximately US\$60,000 from April 1, 1986, to the present. Environment has spent approximately US\$30,000 for services provided by Wellford, Wegman, Krulwich and Hoff.

The Ministry of Industry, Trade and Technology retained the firm of Dow, Lohnes and Albertson from September 1, 1985, to September 30, 1986, at a cost of US\$36,000. In November 1985, the cost of the contract was increased by US\$6,000 for a total annual cost of US\$42,000. However, the contract was cancelled July 23, 1986, after a total expenditure of US\$35,000. The firm provided MITT with advice and information on access to the US market and on US legislative initiatives that could affect the export of Ontario goods and services. MITT also retained Blake, Cassels and Graydon in Toronto and Hogan and Hartson, Washington, to provide general advice and information on US initiatives related to Canada-US trade activities. The legal fees incurred for the 1986 calendar year are: Blake, Cassels and Graydon, \$59,000; Hogan and Hartson, US\$39,300.

To the best of my knowledge, that is all that is there. It was particularly helpful to me in the last case when we were talking about the softwood lumber issue, which the member will know is a very complicated issue. I feel we were well served in that regard, in that I was personally quite involved in those discussions.

If I may, I will respond to the member's general question about representation in Washington and should this add up to necessity for some kind of an office in Washington. Again, I say to the member, nothing much has changed, although there have been more discussions lately, and I was recently there. It is an interesting thing to me that we do have representation in London, England, a capital; we have it in Paris, a capital; in Tokyo, a capital; but in the wisdom of the federal government, we should not do so in Washington. They are concerned about mixing the message or having a variety of people to play with there, or confusion or diminution of their authority or something. Anyway, the bureaucratic advice going to the minister is that there should not be provincial presences there.

The member knows my view on the situation. If he does not, I will tell him. I think we should do something there, but I say very frankly, in spite of what the member may have read in the newspaper today—and I am not interested in

causing unnecessarily a diplomatic fuss with Ottawa—I think they are wrong on the matter. I do not think it would hurt anything, but they feel very strongly about it.

As the member knows, we have an ambassador there in whom I have great confidence—I think he is very capable—and an embassy that serves us all well, but they have a different master than we do, the federal government, which is understandable. There is a wide range of issues, including these ones and the trade ones I said I think are more severe, where we could use extra help. We have had some discussions with the federal government with respect to some kind of role, perhaps in the embassy, on a priority basis of getting information back. We were talking about one provincial member who would serve all 10 provinces. I do not like any of the solutions I hear so far.

I say to the member that if we wanted to, we could go and plunk an office in Washington tomorrow morning. They could not throw us out; it is still probably a free country. That would create a battle with the embassy. The embassy would come and say, "Please do not talk to those people," and run around and scurry for turf on the instructions of the Department of External Affairs. It is not the kind of fight I like to fight, very frankly.

We are just continuing to talk. I would be very grateful if the member would take advantage of his prestigious position in the Conservative Party, not only of Ontario but also of Canada, and speak to the Secretary of State for External Affairs and the Prime Minister and all his other close friends and associates in Ottawa, and persuade them we are really not trying to threaten their turf, we are not interested in doing the same things they are doing, but we are interested in maintaining and protecting our interests in Washington, which are very grave.

It is my view that we do have a responsibility to take our message to Washington. The member has some ideas. I guess he thinks all the members should go down and carry the can, and certainly it is all right with me. If he wants to go and talk to anybody he knows down there and tell them anything he wants to tell them, it is okay with me, because I think we have a responsibility to know them better and for them to know us better and to accentuate the positive rather than the negative things in our relationship.

That is the current status of discussion. At the moment, it is stalled in neutral, but I am sure my honourable friend, in his conversation with the Prime Minister and the Secretary of State for

External Affairs, can break the logjam and allow Ontario to put in a diplomatic listening post in Washington. It would be constructive in all of our interests.

Mr. McFadden: This is certainly an area in which the Premier and I agree. I think there is probably all-party agreement in this House that we should establish diplomatic representation—pardon me, I had better correct that or I really will create a problem—some form of effective representation in Washington, separate perhaps from the various legal firms and lobbyists who have been retained over the years.

For some reason, as the Premier has noted, successive federal governments over the years have been resistant to any province establishing a presence in Washington. It seems to me, though, that given the level of dependence of Canada on the American market, which is far in excess of what it has ever been historically, and given the current rise in protectionist feeling and the rising concern about the trade deficit in the United States, the time could not be more appropriate for us to show an initiative, in terms of not just Ontario but, I would suggest, perhaps the other provinces.

I cannot speak for them. I agree with the Premier, though: I do not see any real merit in having one spokesman speaking for all the provinces. It seems to me it would take more than the wisdom of Solomon to pull off that role. It would make good sense for us, as a province, to push to have somebody there to speak for Ontario's particular interests on commercial matters. We are not trying to establish diplomatic recognition there; we are trying to establish a commercial presence to deal with commercial matters.

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I would hope we could make arrangements that would be generally acceptable to the federal government. Given the current state of negotiations with the Americans, I do not think we want to create an uproar. I do not think, though, that it would hurt at this stage for Ontario to take a pretty strong stand in terms of the need to have representation in Washington. I do not think it has received much profile at this time. Perhaps it would not hurt for Ontario to take a stronger stand and perhaps a more public stand in terms of wanting an office there.

Hon. Mr. Peterson: Can I respond to that?

Mr. McFadden: Sure.

Hon. Mr. Peterson: I appreciate the honourable member's advice. I do not know; I could

hoot and holler more. They certainly know my views. There have been a number of discussions with everyone in Ottawa. I can hoot and holler about it. I can make a strong speech here or the member can help me out, but I can tell him that at the moment they are giving advice that we should not do it.

The question is, should I make this an area of controversy between the federal government and myself? Good God, they are writing back now giving me heck about arranging dates for meetings. He can see how this thing has descended in a kind of petty way. I am not happy about the situation. We have some very serious differences of opinion with the federal government on international banking centres, trade matters, softwood and other things. Frankly, I am not one of these people who is going out looking for things to fight about. I am trying to minimize the things to fight about. This would unnecessarily aggravate a situation that frankly is not all that good at the moment.

The member can see that if Mr. Mazankowski chooses to fight about when the date of a meeting is, they are looking for anything to fight about.

Mr. Runciman: You would never do that, would you? You are above that sort of thing.

Hon. Mr. Peterson: They may think I am doing it. They may think it is tit for tat. They may want to retaliate in some way or other. I am not very happy about it, very frankly, but that is life. This thing could be read as an aggrieved assault on the federal authority.

I would be grateful if the member would use his good offices and ask his leader to use his good offices. I know he is very close to the Prime Minister; he frequently shares a platform with him and shares a number of his views. He is similar in many ways. Perhaps he will put that view to the federal government and put it to his colleagues that it is in our interest to do that; indeed, it does not in any way detract from Ottawa's interests. The argument the member can use is: "We are doing it in London, England, and we are doing it in Paris. At the federal government's request, Ontario put an office in Brussels. What is the big harm with Washington?" For some reason it is a strange piece of turf; perhaps it is too close.

I should tell the member that we intend to beef up our New York office to give better service in that regard, even though it is not easy to do it. We have a new agent general there who is a very respected businessman and I think is knowledgeable in the ways of New York. He has spent some

time there before and I think can be helpful in that regard.

One other point: The member is familiar with the things Quebec did in Washington at one point. They actually bootlegged a person in there. It is quite common knowledge. They have a person who lives in New York who flies to Washington every week, who lives in a hotel but does not take up permanent residence, maintaining the ruse that no one is in Washington even though they have an office there. It was supposedly for tourism. One can see that they have accommodated and juggled around to try to avoid the appearance of a problem somehow or other.

The problem is squarely in the hands of the Secretary of State for External Affairs. I cannot tell the member the number of times I have talked to him in the last six months, and many of his staff and everybody else. The bureaucrats are telling him not to do it for some reason. Can I ask the member and can I count on him to write to him immediately, getting the support of his leader, so as to put forward the position of Ontario in that regard? Will he send me a copy of that letter?

Mr. McFadden: Our concern about that is well known. We have raised it on the committee that investigated it, the select committee on economic affairs, and we made our opinion on that well known. I will speak to my leader, but I have no doubt that we would be quite prepared to write to Ottawa to express that view, to reiterate our current position on that, which is of some months' standing, and we will be happy to provide the Premier with a copy of that letter as well.

A matter that the Premier did raise which I would like to discuss briefly in estimates concerns a recommendation that appeared in the report of the select committee on economic affairs, which I raised in the House last week. That was the potential role that a group of MPPs from this Legislature could have in smoothing out some of the irritants, some of the questions, some of the concerns with legislators in the US.

The select committee specifically recommended, after spending some 15 months of work and after visiting Washington on two separate occasions for close to a week, that it would be useful from Ontario's point of view, and probably from Canada's point of view, to have an exchange of visits with both American and Canadian legislators. The current situation would indicate that there is perhaps even a greater need for that kind of exchange than there

was back when we were working on a report last September.

I know that on several different occasions I have met with congressmen and senators from the US whose knowledge of Ontario was modest, to say the least, who were not aware of the depth of the trading relationship between Canada and the US and who were certainly not aware of the importance of the Canadian market to their individual state.

I know, for example, there was a congressman who actually visited this House back in August from the state of West Virginia. He was up here to look at trade matters as well as at the whole issue of acid rain. He came here under the misapprehension that there was a trade deficit, as far as his state was concerned, between Canada and the US. What we found in our discussions with him was that in fact the situation was the reverse: West Virginia exported more to Ontario than we exported to West Virginia. Subsequently, I visited with him as part of a Canadian parliamentary delegation in Washington, and he said his view on the Canada-US trading relationship had changed considerably as a consequence of the information he had been able to secure in his visit here and in subsequent research.

When the member for Kitchener (Mr. D. R. Cooke), a member of the Liberal caucus, and I visited Washington as part of a Canadian parliamentary delegation in September, we had the opportunity to meet with a number of members of Congress and with staff coming from the Northeast-Midwest Coalition. This coalition consists of 125 or 130 senators and congressman, as the Premier is probably well aware. That group had never officially met with anybody from this House; in fact, it had met with virtually nobody from Canada whatsoever. At the end of the discussions, it strongly recommended that it would be desirable to follow up that meeting with some structured exchanges of visits between Ontario and American congressmen and senators dealing with trade issues of particular interest to the northeastern and midwestern states, our immediate neighbours.

I also found in other discussions that Americans were generally receptive to meeting with us and talking on an individual basis on political and economic matters. I think that kind of representation is often more effective than a representation by a paid lobbyist. When I am sitting here and a lobbyist or a lawyer comes in to me representing the vested interests of a particular concern, I know he is there on retainer and he is paid to say roughly what he is there to say.

Hon. Mr. Peterson: You used to be a lawyer, did you not?

Mr. McFadden: Yes, I was a lawyer, and so was the Premier.

The thing that has struck me in my discussions with the Americans is that, in having two elected people who have a common interest in terms of their constituencies and their knowledge of the legislative process and the complexities of that get together, often the kind of exchange you can get is more meaningful than if it is strictly between a lobbyist and a legislator.

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In my remarks last week I did urge that the government should give consideration over the next month or two to having a committee of this Legislature or a representative group of MPPs from all parties go down in a structured way, particularly to meet members of the House of Representatives and to talk with them about the Canada-US relationship and the need for the Americans to be very careful before they proceed ahead with the kind of protectionist legislation they are threatening to go ahead with in the House of Representatives in the next two months.

Hon. Mr. Bradley: Is that with or without per diems?

Mr. McFadden: The Minister of the Environment (Mr. Bradley) raises per diems. In my view, per diems are totally irrelevant. I am happy to go down without a per diem, and I am sure other members will be if it is of importance and will benefit Ontario.

I ask the Premier whether he will consider acting upon the recommendation of the select committee, and the finding of the member for Kitchener and myself in terms of meetings we had in Washington, to look into the feasibility of acting on a visit by representatives of this Legislature to congressmen in the US who will be directly involved in the consideration, in the next couple of months, of the omnibus trade bill coming before the House ways and means committee and eventually to the floor of the House of Representatives.

Hon. Mr. Peterson: The honourable member makes a number of suggestions. Honestly, I have an open mind to these things, but I will give him my reaction to the situation.

I am all in favour of all of us doing more to take Ontario's message not just to the US but also to our neighbouring provinces or any other place. We have a lot of associations that do that kind of thing, such as Commonwealth and parliamentary

associations, where a number of our colleagues get together. Then there are all sorts of federal-provincial and interprovincial meetings where people get together and share points of view. Certainly the ministers do a lot of that, but the back-benchers do a lot of that as well.

In general terms, I favour those informal contacts that go on. The more we can educate each other, not only on a bilateral basis but also on a multilateral basis, about our own concerns, country, feelings and sensitivities, then I guess the more the world becomes a little smaller and a littler stronger as a result of that. In general terms, I have no problem with that.

With respect to Washington, I do not want to mislead anybody about this situation. Back-benchers are not going to get the same access ministers and Premiers do. One of the other things one has to be concerned about is that everybody is on the same wavelength. When I am in Washington I always go out of my way not to embarrass the federal government. Some of the member's colleagues might want to make fun of me about that, and some think I should go down there and cause a fuss about the federal government, but I do not do that. I do not do it in Washington, China or Seoul, Korea, and I never will.

It is important when we are abroad that we speak with one voice, and if one cannot get one's voice on the same wavelength, then one should keep it quiet for a while and come back and make a speech against one's colleagues. In broad terms, that is one of the understandings the people who represent Ontario in that regard should have. One of the things that does happen, by and large, when we have committees such as the select committee on economic affairs, which was ably chaired by my colleague the member for Kitchener and had the member for Eglinton (Mr. McFadden) and others among its membership, is that they do tend to function in a nonpartisan way, which is good and constructive and the way they should function.

The question is, how do you set that up? Do we have a special committee that just travels from here and goes down and states our message? If so, what? Is it our message on acid rain, on trade, on labour matters, on transboundary pollution or whatever? I do not know. It may be better to do it the way the previous government did it and take a select committee dealing with particular issues; and if the member wants to resurrect that committee and take the group down to talk about trade issues, that is fair enough. There are a lot of things going on in the trade issues that ordinary

members may not always be aware of. Some of them are very sensitive. Some are behind the scenes, and sometimes these things are not always shared with us by the federal government or the industry, let alone being capable of being shared with other parties.

We must not be naïve about what we expect of the situation. Ontario is seen by a number of people in high office, because of the importance they place on it, be they members of the administration and cabinet or senior members of Congress, just as Ontario is granted official status in Tokyo, Beijing and Seoul. That is rare, if unheard of, for a provincial delegation, but to be treated that way is a measure of the respect in which this province is held. It is important not only in Confederation but in international terms as well. That is something we have to guard very carefully and make sure we do not abuse whatever little influence we have.

I suggest to the honourable member—and I know he has spoken on the subject before—that if he wants to resurrect the committee, travel and talk to other congressmen and senators, that is fair enough. The problem is that, apart from educating each other, the committee is not in a position to speak with any particular authority behind its voice. In a sense, that diminishes its voice and at the same time it diminishes the number of people who will want to listen to the committee. There are some people who just like to shoot the breeze; other people like to talk to people who are in a position to make things happen.

The other thing I know the honourable member understands, but which bears repeating in this House, is that our systems are so phenomenally different in Canada from what they are in the US. In the US, the system is more important than any one individual. The locus of responsibility is so highly diffused through committees and so much is brokered up and down the system that you do not talk to just one person; you talk to a great number of people. Of course, that reinforces the member's point that the more people talk, the better off we will be, and I gratefully acknowledge that, but it is a hard system to get a handle on. It is not talking to just one person. I think the member knows that. Anybody who oversimplifies what goes on there makes a very great mistake. We have to talk to more people as best we can to try to get the centre of responsibility.

It is a huge sausage machine in the US. When it starts, you never know what is going to come out. I get attacked because John Heinz is going to

introduce a bill, but he has introduced many other bills before and they have never seen the light of day. There are hundreds of protectionist pieces of legislation on the floor of the Congress, and they never reach the light of day. The member may want to educate his leader about the nature of the system in the US when he stands up and hoots and hollers about things. I think he understands very little and gets quite exercised. The member may want to explain how the system works and make sure he presents how these issues really result in a fair-minded and rational way. Our system is quite different. If the government adopts a position, it is much more likely that it will become the law of the land, and of course we can move much faster than they can.

If the honourable member would like to suggest to his colleagues in the standing committee on finance and economic affairs that they should do another trip to Washington and talk to their colleagues, contacts or personal friends, I will certainly arrange for briefings for that committee from everyone he thinks would be helpful to bring him up to speed on what is going on. The member for Oshawa (Mr. Breaugh) is already salivating. I can see that glint in his eye. He can go down there and talk to whomever he likes and express his point of view. I am sure the embassy will be helpful, as well as his own contacts.

I do not have any particular problem with the general education. I do not think he should delude himself about the efficacy it will have in solving the great problems of the day.

1620

Mr. McFadden: If I could deal with one final area, I agree with the Premier that going to Washington will not change the course of history. The major function any group would have is educative, but it seems to me at this stage, based on my experience in dealing with congressmen and senators, that we have a huge educative function to deal with.

It seems to me that the American system is far more responsive than our system to the kind of visit and the kind of education that I am recommending and that the select committee on economic affairs recommended. In our system, the government of the day really sets the agenda; the government of the day decides what is going to happen with legislation and what gets on the order paper. In the American system, it is individual congressmen and senators who can have a pretty fundamental effect on whether a bill ever gets out of committee, whether it gets on to

the floor of the Senate or the House and whether it ever gets adopted.

I would like to suggest to the Premier that establishing links, establishing bonds, establishing trust and establishing communication with American legislators can be vital. I would suggest it is probably more vital in the US to establish links with American legislators than it is for them to establish links with us, because of our system of parliamentary democracy, which does not allow for the same kind of independence of action and initiative that the American system allows.

The final area I would like to deal with is the impact that the proposed legislation now under consideration by the House of Representatives might have on Ontario. As the Premier is undoubtedly aware, the House ways and means committee will be involved with considering and marking up a new trade act in late February and in March for submission to the House of Representatives. It is my understanding that the new trade act will be at least as protectionist as the trade act that was adopted by the House of Representatives in the last session of Congress.

Senator Bentsen, as the Premier will be aware, has stated that, in his view, a priority of this session of Congress is to get through a veto-proof trade act, which very clearly is aimed at protecting the American market and will undoubtedly have a prejudicial effect on Ontario's exports to the US and, in the end, a prejudicial effect on jobs in this province. I wonder whether the Premier can share with the House any information he was able to secure during his visit as to the kinds of measures we could expect in the omnibus trade act that is before the House ways and means committee right now and will be going before Congress in the next couple of months.

I would raise with the Premier a matter that concerns me, which I raised in the standing committee on finance and economic affairs. The Ministry of Treasury and Economics published Economic and Fiscal Review, Province of Ontario in November 1986. On page 25 of that review, under "Medium-Term Outlook: 1988-1990," the overview specifically said that "significant increases in US protectionism will be avoided." In fact, in reviewing the medium-term prospects for the Ontario economy, it seemed that no protectionist legislation, effectively, would go through Congress at all.

I asked the chief economist for Ontario whether any research had been done on the trade acts and whether extrapolations from there had

been made of the effect that the passage of even the trade act last year might have on the Ontario economy in terms of developing models for the economy. The chief economist of Ontario said no.

We know the Congress is now considering further trade legislation. We know it is likely to have some effect on the Ontario economy. I was surprised, quite frankly, that in making projections for the Ontario economy and talking about job gains, job losses, growth and everything else, all kinds of factors were put into developing the model, but one key fact was left out altogether—

Hon. Mr. Peterson: Which of the 600 bills would you have put in?

Mr. McFadden: No. There was one omnibus trade act that was passed by the House of Representatives last year. I have a copy of it in my office. It is a lengthy bill. It covers a whole range. I am not talking about picking up miscellaneous trade bills brought in by various congressmen and senators. What I am talking about is the omnibus trade act that was brought in last year and passed by the House of Representatives.

The House of Representatives is again intending—

Hon. Mr. Peterson: It did not go through the Senate.

Mr. McFadden: No, it did not go through the Senate. I know that. The House of Representatives is now proposing to pass another trade act that the chairman of the Senate finance committee has indicated the Senate would look on favourably. His hope is that somehow between the two Houses they will pass a veto-proof bill.

Hon. Mr. Peterson: Why get alarmist?

Mr. McFadden: The Premier asks why be alarmist. The fact was that a year ago, the Ministry of Industry, Trade and Technology produced an alarmist study of the number of jobs that might be sensitive if there were some form of free trade agreement between Canada and the US.

That study was done when there was no agreement, when we had no idea what would be contained in the agreement, when we had no idea what adjustments might have been provided for in the agreement, what industries could be impacted on or anything else. Industry, Trade and Technology was able to come up with a study that projected that two hundred and some odd thousand jobs could be sensitive. I find it amazing that those figures could be created when

no agreement had been negotiated, when the negotiations had hardly even started.

Here we have a situation where the House of Representatives passed a trade act and could very well pass another trade act this spring which would go to the Senate, be agreed on between the House and the Senate in conference and even wind up being veto-proof, yet for some reason this is not taken into account.

I should tell the Premier that the chief economist did agree that was a matter the province should look at. The chief economist indicated to the committee that he would in fact have his staff start looking at impacts that this kind of major trade act could have.

I am not saying that any model that could be created by the chief economist or the Treasurer (Mr. Nixon) could be definitive and tell us exactly down to the job what could be at stake. My point was basically this: How can we judge the appropriate policy and the appropriate reaction for Ontario if we have not done our homework in terms of judging the impact a particular act might have? It is not an exact science, but surely that is an area that could be investigated.

There are basically two questions I have for the Premier. First, does he have any information as to what we could expect in the new omnibus trade act; will it be the same as the one that was passed by the House of Representatives last year, or does he expect it will be substantially different? Second, would he at least indicate whether he would expect that the province would undertake, on a fairly urgent basis, a review of the impact that legislation could have on Ontario when the terms of the new omnibus trade act are in fact known in the next month or two?

Hon. Mr. Peterson: I talked to a great number of people and they all have different views on the subject, so which one would the member like me to quote to him? I cannot tell him any more than he or anyone or even they can, what the shape of this new legislation will be. As the member knows, it goes through the system where everybody tacks on his own amendments, be it for steel, softwood, hydroelectricity or whatever, and who knows what is going to happen in the whole thing?

I think we are going to see an act. I think there is enough juice there behind it. With the disturbing chats I had with Senator Bentsen and others, people of sufficient heft and weight in the House, I think that they are going to bring something forward. In broad terms, the passage will probably accelerate the use of administrative

remedies on trade and take some of the discretion away from the administration.

I think we are probably going to see more co-operation between the House and the administration in the bill. I think we are going to see it.

Even if we saw that bill as the law of the land, we could not make any predictions of how that would affect specific trade groups because they would have to be attacked through that bill. It may or may not come out in groups; it probably will not. Even then it would take the wisdom of Solomon, and we would be wrong to run a computer model and say, "That will cost us so many jobs," but it will tighten up the system, as I see it.

1630

The member asked me who I talked to. One of the most interesting conversations I had was with Senator Patrick Daniel Moynihan. I asked him what was happening and he said, "You have to understand that six years ago the Republicans stole the flag from the Democrats and they are going to get it back through trade." He went on to use some very picturesque language to describe what was going on in the US. He is a very insightful and brilliant man.

The big question yet to be determined is how the Democrats will rally around this issue, who will come forward as their presidential nominee and whether he will use this issue to rally around. There is a variety of different opinions on that question. The strength of the administration in resisting this is still not known; in other words, the bill could be vetoed. However, that depends on how strong the President is at that time. At the moment he has been weakened a little bit.

This is a politically supercharged event and there is no one, with the possible exception of some of the bright lights in the member's party here, who understands what is going on in Washington and how it will come out of the mill. We can make our best guess at it but there is nobody there who is betting any money about what will happen, how it will happen or within what time frame.

I said to the member, in general terms, I think there will be some kind of bill. How strong or watered down it will be I do not know. At the same time, there is no particular desire to hurt Canada in any way. There is a general friendly sense about us to the extent that we are acknowledged at all. Just because there is an omnibus trade bill does not mean we are going to be hit with anything; we may or may not be. It depends on which lobby groups start to accelerate the action in the US.

It also depends on the price of the Canadian dollar, which I gather hit 75 cents today. It has been crawling up and taking some pressure off. That has other ill effects on our economy, as my honourable friend will know. It depends on the price of the US dollar, on the pressure on the merchandise trade deficit and who they are going to hit next. I say in humility to my honourable friend, I am not smart enough to predict; I say with some insight into his character, he is not smart enough to predict, nor is anybody else smart enough to predict, what is going to happen.

The case I took to Washington was: "Canada is a fair trader. You can attack us on the steel question, but we are not subsidizing in any way and we should be viewed as a different situation from Taiwan." One of the problems in the steel question today is the sense that there may be some diversion from some of the Pacific Rim countries through Canada into the US market. That is a real problem for us at the moment. We are trying to persuade the legislators there that we are good friends and honourable traders and that we should not be hit by any of this legislation specially designed to cure certain problems.

The other thing I point out is that people are now much more aware than they were in the past that we are running a large merchandise trade surplus with the US. It was \$20 billion or so last year, probably down to \$13 billion or \$14 billion this year. I point out to them, as I point out to the member, that we have a netting out on the service account; because of the dividend flow, royalties and others, it brings the situation far more net. I remind them of all the Canadians who go to Florida. It would be a great mistake to want to jeopardize these relationships. We have very integrated economies now. Whether the member likes it or not, we do, with cross-ownership in a number of resource areas.

I also point out that in the steel area, for every dollar we export to the US, we spent \$1.26 in the US. There are certain equities. To a guy such as John Heinz, who is singular minded and wearing blinders on the issue, that does not cut any ice. He has his constituency. He acknowledges that the industry is not competitive. He says that the business is close to bankruptcy. They are laying off people in jobs in his home state and other states in the steel caucus. He does not care; he is just going to protect that industry.

They are perverting US trade law to protect an uncompetitive industry, and that is what the issue is about. What bothers me are his reinterpretations, not only of fair international trade law but

also of bilateral trade law and domestic trade law, to engage in raw protectionism.

There is no subsidy. I can tell members there was no subsidy in the softwood lumber either, but they deemed there to be a subsidy, because subsidy is in the eye of the beholder, and therein is the problem. They deemed there to be a subsidy just because they changed their minds about what a subsidy is and that was a direct response to political pressure in the US.

My view is that we have a much better job to do explaining our position. That is why I was in the US. I have been there before and I will go again. It is not that I particularly enjoy it, I want to tell my honourable friend, but we all have a responsibility, particularly the Premiers and the federal cabinet ministers. If my friend wants to participate, I am delighted.

There are many levels at which we can take our stories. We have to rally our friends; we have to co-ordinate our message in a thoughtful way. The member spoke eloquently about the lack of general knowledge about Canada, and he is right. The more we can elevate that, the more we can explain each other to each other, then I think we have a better chance of getting through this difficult period.

There are some thoughtful observers. I may be telling members more than they want to hear. If they are tired of me speaking, they should tell me to sit down.

There are some thoughtful observers who see what is happening now in historical terms. The only real period of open trade in history was after the Second World War; that was one of the major economic expansions in the world. Now we have a US economy, the greatest market, the greatest industrial engine in the world, that is running out of gas a little bit, is less competitive than it used to be. The response to that decline, in relation to other countries that are growing quickly at the present time, is to protect what they have—which is a trip in nostalgia to the past, not a trip to the future—rather than deal with the gut questions of their competitors.

That is what worries me as well in this country and it is one of the reasons I have said, "Let us not put on blinders and hitch our wagon exclusively to the US." Yes, it is the biggest market; yes, it is our greatest trading partner, and yes, those relationships are important. But it is only a small part of the world and we have to look at the faster-growing areas; we have to broaden our own horizons. This world is becoming too small just to hitch ourselves to a country that has its own domestic problems and its own agenda.

They do not care much about us. They consider their problems 10 times bigger than ours and they are not going to go very far out of their way for us. If we invest all our eggs in one basket economically, I think history will say we have all been very shortsighted.

Mr. Runciman: It sounds like an old Pierre Trudeau speech: the north-south option.

Hon. Mr. Peterson: It is not the north-south option; it is the third option. The member has read the wrong speech, but it was a good try.

That is why one of the things we are doing in specific terms is with the Pacific Rim and other things. The gains we will make will be incremental. There is no easy answer to these questions. It is going to take dedicated leadership over the long term.

The problem with this whole process is that it tends to be events-driven, as members know, and if the politician does not have a ribbon to snip tomorrow, he considers his life to be a failure. But I think it is going to take a very clear view of where this world is moving, how it is moving and the role we should play, and then provide the leadership to the public and private sectors to bring that off.

I have shared with the members, at least in a preliminary way, my sense of what we have to do and of the kind of big job we have ahead of us. It is not going to be easy. If we do not deal with these questions, we are going to see the slow diminution of the standard of living and the things that we think are so important in this province.

I think the relationship with the US is extremely important. I think the member's ideas are constructive. I do not think they are as constructive as he probably thinks they are, but they are better than nothing.

I told him that I take an existentialistic view of the situation. I believe in the nobility of struggle, so if the member can find anybody to listen to him, talk to him. I do not know who he is, but talk to him. Explain our point of view. Maybe we all have to take that responsibility. At the same time, we are going to have to focus our attention as a nation on our ability to compete, and hitching our wagon to that one pony is not going to solve all our economic problems.

I have probably told the member more than he wanted to hear, but he should not have provoked me.

Mr. Mackenzie: In the few minutes we have left, I am wondering whether the Premier could share his observations with us. I have a couple of questions. I will start first with the Senator Heinz

initiatives, or whatever the heck you want to call them, and whether the feeling or view the Premier picked up on his recent trip to Washington was that we are likely to see voluntary cutbacks or that we are likely to be faced with a more stringent call than that in terms of the steel industry.

1640

Does the Premier know whether there are currently in place efforts to do the kind of selling and lobbying job that was done when we last faced the threat a couple of years back? As I understand it from conversations we have had with steel people and others in committee and outside committee, one of the things that saved our bacon in terms of steel cutbacks and shipments was that we were able to prove at that time that \$1.25 was coming into Canada for every buck of finished steel we were sending into the US. The Premier says it is now \$1.26. They told us in Washington, on the last trip we had with the select committee, it was \$1.29. That, of course, could vary slightly.

It seems to me that was the weight of the argument. They were able to prove to some of the senators and congressmen in states that would suffer as a result that they stood to lose more than they would gain by this kind of action. I wonder whether the Premier can tell us his own perception or feeling as a result of his talks down there and what we are likely to be facing.

Hon. Mr. Peterson: The short answer is that I do not know, but I will tell him the play as I understand it.

The honourable member is quite right. When you talk to someone like John Heinz, all he talks about is steel, but if you talk to someone from an automotive state all he talks about is autos, and if you talk to somebody from Louisiana he does not care about auto or steel; he cares about the depressed oil industry. It is a country of special interests.

Just because one guy in the US stands up and says it, does not mean it is going to happen. Thank God that is the case, because you hear some pretty tough-minded stuff. It is a question of how they broker all their interests. The member is very knowledgeable about this situation. I will go back and add a little to the things he has said.

We have gone through this before and have done so for a long period of time. There was a major discussion in 1984. In 1984, the US brought in laws that brought in a VRA, a voluntary restraint agreement. They have been forced on every other country in the world except

Canada. If my numbers are a little off, I hope the member will excuse me; I am going by memory. At that point, foreign steel was taking about 33 per cent of the US market. They brought in the VRAs and that meant that each producing country, Sweden, Taiwan, Korea and others, had to sign these agreements to bring its share down to a certain level.

It has been quite successful. They have actually brought it down about 10 per cent. They are aiming for about the 20 per cent level. They are about three per cent off in that regard. All the while, the US steel industry is deemed by most people to be uncompetitive. Shutting down the mills, sponsoring Bruce Springsteen, a lot of other things that are happening are part of an uncompetitive kind of economy. My honourable friend will be familiar with things that are happening there that are not dissimilar to some of the things that are happening here. We have to ask whether we can protect ourselves against these kinds of things. Anyway, they did it.

Canada got out of the situation for the arguments my friend made and for other arguments; that the economies were integrated, that there was reciprocity back and forth between the two countries with respect to the steel trade and they should not hit us. We escaped. During part of that period, Canada was running at about 2.4 per cent of the total US market. One percentage point is about one million tons, as I recall the numbers. Then we popped up a little bit and the pressure started to come. It got up to three per cent; then it got up to 3.5 per cent and pressure came from the US to cut back Canada's share of steel.

There was voluntary restraint on this side of the border by the steel executives. That voluntary self-discipline is not to be confused with the VRAs. It was not a legislated VRA. It was self-discipline exercised by the industry. The industry is extremely knowledgeable about this situation. It spends great amounts of money in Washington, with counsel and lobbyists and God knows what else to tell it how to manage this difficult political situation, mindful of the fact that people like John Heinz and others are going to whack them if they do not behave.

It was in a state of limbo or a standoff for a long period of time. Unfortunately, in the last two or three months, exports shot right up and we were in the five per cent range of domestic market. That is in a declining market as well, because steel is being used less for automobiles and a lot of other things.

The Canadian industry would argue that is because of the USX strike and there was demand there, it had to be filled; that was not wholesale, brokered steel, that was steel that went right in to customers to meet the exact demand, and there are exceptions to that policy. This, of course, gets the lights flashing in the US and everybody says, "Canada is cheating again and we have to bring it under these VRAs we proposed for the other countries."

Hence, Heinz had his bill. He has had several bills on the subject, but he is going to introduce his bill again. I was very happy to read a couple of days ago that he is going to delay the implementation of that. I would not stand up in this House and say I was responsible for getting him to delay the implementation of that, I would never be so presumptuous, but I do know he has said he is going to delay the implementation, hopeful that the Canadian industry can, on a voluntary basis, work the system out.

There are some other allegations being made that I believe have to be monitored. One is that some Pacific Rim countries are diverting steel through Canada, through a particular distributor in Vancouver. I will not mention his or her name, whoever it could possibly be, but it is serious. I believe the federal government has got to monitor this situation very closely. I am sure members would agree with me, it is damned foolish to get hit with a bill or a VRA for steel that is not even our steel, it is being diverted through our country, so we have to be far more tough-minded about this situation.

I am told Mr. Heinz's bill is going to be introduced tomorrow in the Senate, but the implementation will be delayed.

I said at the beginning I do not know what is going to happen and I still do not know what is going to happen. I know it is one of those issues, like so many issues in politics and in life, you have to manage properly. There is no real black or white. We have to keep the discussions going in the US. I do not believe for a second that we are subsidizing. I want to avoid at all costs any kind of a legislated solution; i.e., softwood lumber. I think that was a mistake and a most unfortunate precedent and has to be avoided at all costs.

Therefore, it is going to take management skill by the federal government and by the steel industry, and as members know, the big ones are quite knowledgeable about this one, but there are a lot of smaller ones that tend to be sneaking in and everybody tends to be blaming each other for causing the problem. I would like to see tougher

monitoring by the federal government. I would like to see more self-discipline exercised, and I think with that tough-minded federal leadership, we can avoid the kind of problems that could possibly come along in this supercharged atmosphere.

I cannot prove to members I am right, because I may well be wrong. I am giving them the distillation of my best judgement, both from my experience in the US and my experience with the industry here. If the member has any better advice for me in this regard, I am most anxious to hear it, but I do not want this to develop.

It is like this auto pact business and the pressure developing on that. Sometimes these issues take a great deal of finesse and management politically on this side of the border. Essentially, the ball is in the court of the federal government. I can assure members of this House, as I have assured them, when they are using good judgement, they will have our complete support in this matter. We try to work on a co-operative basis. Unfortunately, there are times when we have very serious differences of opinion on approach, as we did in the softwood lumber case.

That, to the best of my knowledge, is the status at the moment. There is not a lot of solace in what I have told members, but I think if we are intelligent, if we are self-disciplined and if we all talk to each other a lot, it is possible to avoid the problem and that certainly should be the course of public policy in this nation.

1650

Mr. Mackenzie: In talking to each other, I am forced to refer to one comment my colleague the member for Etobicoke (Mr. Philip) made, and that is the business of getting members together and having a chat with the various legislators. I would point out that some of the mess we are in is as a result of a face-to-face chat between Mr. Mulroney and Mr. Reagan in Quebec City that at this stage of the game I wish had never happened.

I would like to tell the Premier this—I think we are down to the last minute, so I do not have much time—my perception of this free trade issue, apart from all of the other arguments, is that our real problem at the moment is that we have the talks in the wrong context. We have them in a fast-track, comprehensive, bilateral trade arrangement in which everything we know and everything that has happened to date seems to exacerbate the situation rather than improve it.

Nobody can argue that we do not have to continue talking—and I do not think anybody has—but I think it is the context we are in and the kind of framework that we have that are really

giving us the problem. I guess that is why I felt so strongly that we should put an end to this particular context; make it clear we are going to talk but not in this kind of time frame and tight schedule with the comprehensive nature of it.

Does the Premier have any comments at all on that?

Hon. Mr. Peterson: I have 58 seconds to give the member all my wisdom.

Mr. Mackenzie: My colleague did not leave me much time. I will remember it next time.

Hon. Mr. Peterson: I gather we are running into the estimates of the Lieutenant Governor, the Office of the Premier and the cabinet office. I am happy to continue this discussion with the members here or somehow to juggle them all together. I do not know what the procedure is but if it can be done, good.

Mr. McClellan: I would be very happy to have the discussion under the rubric of the next vote.

Hon. Mr. Peterson: I am happy the honourable member is comfortable with that.

Vote 301 agreed to.

Vote 302 agreed to.

Mr. Chairman: This completes consideration of the estimates of the Ministry of Intergovernmental Affairs.

ESTIMATES, OFFICE OF THE LIEUTENANT GOVERNOR

On vote 501, Office of the Lieutenant Governor program:

Hon. Mr. Peterson: I think it is most appropriate that we simply stand and say something nice about the Lieutenant Governor, pass his estimates and then go on to talk to the other matters.

Mr. McClellan: All right.

Mr. Sterling: Our party supports fully the efforts of our Lieutenant Governor. We think he has carried out his job in an exemplary fashion. Without further comment, we would indicate our willingness to pass these estimates forthwith.

Mr. Mackenzie: It will not take more than three or four minutes to put my concerns on the record. I started before we ended the last vote. A comment that struck home to me in our first Washington trip and in the committee was made by a colleague of ours who has now gone on to a different job. I am talking about Bob Elgie. I thought his comment was right on. He simply made the—

Mr. Sterling: On a point of order, Mr. Chairman: Notwithstanding that there is really a free-ranging kind of discussion in the estimates, I would suggest to the member for Hamilton East (Mr. Mackenzie) that if he wants to continue to comment on free trade, he might do that in the next set of estimates, when he will have an opportunity to deal with that particular matter.

Mr. Breagh: Yes. I think we can help this along by taking the first vote, which is on the Lieutenant Governor. We all wish him well and know he has done a wonderful job. If we can pass that vote, then my colleague for Hamilton East would like to return to the matters that he raised under a different set of estimates. If you would assist us in the chair, we could get to that right now.

The Deputy Chairman: Are there any other members who wish to speak on the estimates of the Lieutenant Governor?

Hon. Mr. Peterson: I am proud to defend the Lieutenant Governor, who has become a very good friend in the last little while and in my opinion has brought great humanity to the Lieutenant Governor's office. I must say personally, it is a joy to work with him. I think he has done wonderful things for this province. I see that expansive smile and that generosity of heart wherever he exhibits himself publicly. He is a first-class representative for this province. We are all very proud of him.

Vote 501 agreed to.

The Deputy Chairman: This completes consideration of the estimates of the Office of the Lieutenant Governor.

ESTIMATES, OFFICE OF THE PREMIER AND CABINET OFFICE

On vote 601, Office of the Premier program; and vote 101, Cabinet Office program:

Mr. Mackenzie: I will not take long in case there are others who have comments they want to make, but it is on the same line. The reason the colleague I mentioned did not agree with the free trade initiative was that it was bound to highlight the irritants, which were going to cause us problems. I think his words were more than a little prophetic.

We do have a situation in terms of the trade talks where we agree that this country cannot afford to lose or have diluted the arrangements we currently have under the auto pact. The Premier (Mr. Peterson) himself made mention of the fact that we have a fair surplus, maybe down

to \$14 billion or \$15 billion now. It has always been my understanding that the surplus was either in the service area the member is talking about or in resources; that the only area in which we had a real plus, in terms of value added industrial manufacturing, was in the auto pact. Of course, that is also the heavy job content, which is where we stand to lose.

We have an auto pact that almost everybody in the committee agrees, and I think the Premier himself agrees, should not be fooled around with. Indeed, in the early days of our hearings, and in our interim report, it was almost the consensus that this in itself was enough to scupper the talks. We now know clearly, whether we like it or not, that the auto pact is on the table. What will happen to it, whether we will lose it, I do not know, but we have the auto pact on the table.

We agreed early on that a certain number of the items should not be on the table. Agriculture is an area of great concern for Ontario, and agriculture is clearly on the table, whether we like it or not. It is pretty obvious that cultural and sovereignty issues are all going to be on the table as well.

We also have an example of how the irritants have turned into real problems in terms of the shakes and shingles issue, the 35 per cent tariff and our retaliation. The news stories, if the news stories are accurate, seem to indicate that maybe it was all a mistake, a mistake both ways, and that we should get out of it, as long of course as we are willing to sell our cedar logs.

Once again, in terms of the supply—I am only going by a television story I watched with some interest the other evening. The United States has something like a 10-year supply of cedar logs for its industry, whereas we have better than a 100-year supply. If we can get rid of this arrangement we made and they can import the logs, everything will be well, but the lumber industry, particularly in British Columbia, is really screaming at that. This can hurt us even more than the 35 per cent tariff we ended up with. One has to wonder whether in exposing all of these irritants as a result of the talks, we were not euchred a little in more ways than one. It may have been a bit of subterfuge, even the whole shakes and shingles issue.

Coupled with that is the fact that everybody we in the committee talked to indicated that one problem we had in this country—and it did not matter which side of the trade issue they were on, for or against the comprehensive free trade talks—was that we had never developed a real industrial strategy. It has not been developed in

this country, and as a result we really do not know what we want to do, even if it is being protectionist ourselves in terms of what is essential to us to keep operating in this country.

Without having that kind of policy, and with having all these key areas, such as agriculture and the auto pact, on the table, whether we like it or not, finally there was the clear indication from everybody we talked to in the US—I do not know whether anybody has softened on this issue or not—that if we did enter into an agreement, the one thing that is not agreeable, the one thing that should not be on the table no matter how far we are ready to move, is the countervail duty legislation in the US.

Without that—I may be oversimplifying the case—we have absolutely nothing. We can make any agreement we want, but if they do not give up that right to countervail, we will get hit somewhere down the road. I guess it is in that kind of a context that I raise again the question I raised just before the end of the last estimates. It seems that the bind we are in is this forum that the federal government has chosen: comprehensive, bilateral trade negotiations and the fast-track approach. As much as we are facing threats from protectionist legislation in the US, I do not know how we can ever stay on this track and with this kind of format and not be the losers.

1700

I do not have all the answers going the other way, although I do think there is a heck of a lot of merit in trying to diversify our trade and taking another look at the General Agreement on Tariffs and Trade. I know the difficulties we have had with that up until now. I do not think you can argue against the idea at some stage—I suppose this could be deemed to be protectionism on our own part—of content legislation. If there is anything we are going to protect, that is probably one of the ways. In effect, that is really what the auto pact is; it is a fair trade agreement, but there is a real element of content legislation in that. It may be that we should be looking at that in some other areas.

I guess if we are in for tough times in some of the lines in the world today, then one of the other things we have to take a serious look at is our ability to supply ourselves and import replacement.

Those may or may not be some of the answers. I happen to think they are part of what is probably a pretty big package in terms of protecting ourselves and maintaining our status as a real trading nation, but I do not think we can do it when the goal, very tightly defined and with a

very tight framework, is a bilateral comprehensive agreement on the fast-track approach we are on. I think that even sends out signals. We talk about the perception. I think it sends out signals as to, what are we going to get?

In trying to draw my arguments to a close, I come back to the comments we got from three of the senators we talked to down there. We told them about the briefing we had had at the ambassador's residence; that they still felt it was possible to achieve the fast-track approach. The automatic reaction of the US senators and one congressman we talked to was to laugh at us: "No way." When we told them then who had told us this—and it was one of their own officials—one of them commented, "That is not what he was telling us," but then they all said with a grin, and friendly, as the Americans are, "However, it might be possible, provided we get a good enough deal."

I am under no illusion. I do not think, I never have thought, that they are bad people, but they are damned tough negotiators too. I have seen enough in my life and in my line of work to know that. I cannot for a moment think that we can do anything but lose in the kind of fast-track approach we are on and the kind of agreement we have.

I guess that is what my frustration has been and why I have said to the Premier that I found it difficult to work in the committee we had in this House, because I did not know when there was any difference between the Tory members and the Liberal members on that committee. They were not willing. They thought the idea of talking took predominance over any other approach we might take. I just do not feel that. I feel that as long as we are tied into this the words of one of my past Tory colleagues, Mr. Elgie, are very prophetic, that all we are doing is exposing the irritants and it is not the route to go.

That is why I wonder if the Premier has seriously thought of trying to change the format or the direction of these talks a bit. I know he is not the federal government, and I appreciate what he says about not trying to usurp its activities when he is in Washington or some other capital; but it also seems to me that he has a real responsibility, because I do think we are looking at tens and maybe hundreds of thousands of jobs, and I do think we are taking a look at what the future makeup and direction of our country is in this particular topic.

It seems to me that somehow or other we have to disengage the current approach and find a broader approach or a new approach to what we

are doing and not leave the perception that we are gung-ho even if we have to lose some along the way to achieve an agreement within the kind of time frame we have.

I would appreciate any comments the Premier has on that.

Hon. Mr. Peterson: It is a very large topic the honourable member raised, and I appreciate his point of view.

This discussion we are having today is in a way not a new discussion. It has been going on for a year or so, and I will tell members, it is not the last time we will have this discussion in this House as well.

When one looks back at how this question was born or conceived in this country and how it came to the top of the public policy agenda and who believes in it and who does not believe in it and what they mean by it when they talk about it, still at this point there is no clear definition.

I am sure my honourable friend, like I, has read the history and realized the elections of 1897 and 1911 were fought on this issue and governments have been swept from office on it and it goes back to old John A. Macdonald. It is interesting the changes that go on. If John A. Macdonald knew what Brian Mulroney was doing today, he would roll over in his grave. In fairness, if Wilfred Laurier knew what I was doing, he would roll over in his grave as well. You see the changes that have gone on in this country in the last period of time.

It is interesting that the labour movement in the US—I have talked to Lane Kirkland about this—and the AFL-CIO were great international free traders until recently. Then they started to get hip, and it is some of the member's labour friends in the US who are our biggest enemies at the present time, trying to move in on us. It is the United Auto Workers that is putting the big pressure on the auto pact and others; so we are getting this war of labour. One can look back at the history of the relationship of the UAW and the Canadian Auto Workers and a lot of other things. I do not know whether that is a good thing or a bad thing to do. I do not have a judgement on the matter. I am just saying labour is getting very protectionist now. Historically, they have not been that protectionist. Is that the right approach?

We have some very serious domestic economic problems. They have serious domestic economic problems. We have continental economic problems, and the world is changing very quickly. The question is, what should we do as a country? There are some who look at that great market and say, "If we could just hitch our wagon

to that, it would solve all our problems." There are others who are far more sceptical, such as the member and myself. I do not think there is any simple, easy solution. I think we kid ourselves when we say that just by affixing our signature to some contract we will solve all our economic problems. It is a mistake, in terms of public perception, to put all our economic and foreign policy eggs in that one basket.

I look at the history of that little item in the last four years in this country, when Brian Mulroney was completely against it and dismissed it. When John Crosbie was trying to sell the idea during the Tory leadership campaign, Mulroney said about free trade, "We will have none of it." I think he went on and quoted Mr. Trudeau as saying: "It is like a mouse lying down with an elephant. You know what happens when the elephant moves." Then he cottoned on to this thing. This was a public policy item driven by Peter Lougheed and Bill Bennett. It was then cottoned on to by Donald Macdonald in his report, and the thing gained credence and currency. Now it is on the agenda.

At this point, frankly, I still do not know what people mean by free trade or liberalized trade or enhanced trade. Nobody does. We have been discussing this thing in a vacuum, because it is in the eyes of the beholder. It means different things to different people. I follow these things fairly closely. If I do not know, I suspect nobody else knows either. I do not say that to be arrogant. That is what is happening.

They are talking now about some kind of arrangement. I have no idea what is going to come out at the end of the pipe. I have no idea whether Murphy and Reisman are going to be able to present something to their respective principals that they think is semi-respectable or not.

The member can say to me, and he and his leader have argued with me, that we should pick up our baseball bats and walk away: "Get out of there. Do not talk to them. Write it off ahead of time." I am not being personal, but I suspect that in some cases that is ideological. In other cases, perhaps it is genuinely believed that we should not be discussing this matter. I could take that approach, but I do not think it is the responsible action in the circumstances. If by chance the member's party was the government of this province, I do not honestly believe he would do that either. Howard Pawley has not done it. He is sitting there talking about this whole thing and seeing what is going to happen.

In spite of our ideology, it behooves us all to be extremely practical. Let us look at the shape of the deal. We are trying to stiffen the resolve of the negotiator. That is why I have been so tough-minded about the auto pact, and I appreciate the member's support and the support of the members opposite in that regard. This province has to stay firm. My worry, like the member's worry, is that if it gets opened up, we can only lose.

We cannot do any better under the terms of that agreement when the whole UAW—John Dingoll, Don Regal and Carl Levin—come after us in spades. It could work against us. There is pressure on some of the things, the imports, because the auto pact is now covering a much lesser percentage of the trade; it has gone from something like 95 per cent down to 66 per cent. I could be wrong. If my numbers are wrong, please do not remind me I was wrong.

There is pressure on the duty remission programs and there are some things we may have to look at very much more carefully to avoid some of this pressure that is coming. But it is working well. The member is right. We have higher value added at the moment, but we have not always. I argue, as others should argue, that over the life of that pact it has netted out, and it is called by no less than Roger Smith, a chairman of General Motors, "the greatest public policy trade instrument in the history of the United States."

There is a lot of support by the corporations, as the member knows. What I would like his help to do is to get the UAW on side in the US and tell them to stop picking on us. If he wants to join that committee with the member for Eglinton (Mr. McFadden) and the member for Kitchener (Mr. D. R. Cooke), who are going down there, he can go down and talk to the UAW. He has got his message; I have got mine.

The member for Oshawa (Mr. Breaugh) has already agreed to chair that committee at double the per diem, and I am honoured to have him so do.

1710

I guess what I am trying to say is that I do not think it is in the national interest to walk away from that right now. I guess that is where we have a difference of opinion. We will stay tough-minded on things we have: on agriculture, on the auto pact, on cultural industries and on a lot of other things that mean a lot to me and I think mean a lot to this province and this country as well.

There are a lot of other people with a very different view of the situation. I think we should

let it develop. We will continue to put our views forward. I say to the member, I think Ontario is respected there because we are on top of our brief, we have good people working on it and a lot has been invested in putting forward Ontario's views.

I have no idea how this thing will turn out; none at all. I can paint a whole bunch of different scenarios. There are some who talked originally about doing "the big deal," the deal that has got everything in it. God knows what that means. As the member rightly points out, others talk about how they are not going to get rid of countervail. I have heard yes, they are; and no, they are not. What is the point, he would argue and I would argue, of doing it if we do not get rid of countervail. There are ways of modifying that system.

As he knows, it goes through subsidy and injury and a couple of hearings over a long period of time. There are ways, for example, perhaps even some mechanism to solve disputes on a bilateral basis. Some commission, the international joint commission type of committee even, to simplify what is going on now might be constructive, but who knows how they are going to view that situation.

It might turn out to be a mini-deal. My worry, of course, given the political imperatives and the political investment in the situation, is that some cockeyed deal could be called a good deal just for the sake of having a deal and that is why we must be vigilant and determined and rigorous in the scrutiny of the situation.

This issue is not going to go away. I could pick up my baseball bat tomorrow and they could still go on with the discussion and Mr. Pawley could pull out tomorrow and they would still go on with the discussion. I guess that is where the member's party and I have a difference.

I am saying we are going to watch this thing, we are going to monitor it and we are going to take it through to the logical end and see if there is anything there. In that sense I do not see it at the moment, but perhaps someone can prove to me things that I am not aware of at the moment.

I say to my honourable colleague, I do not believe we are locked into an inexorable process that is going to take us somewhere if we do not want to go there.

I guess perhaps we have a difference of opinion over that. He may feel it has been taken so far down the road that we cannot get out of it. I say I am a practical fellow. If we can make a deal that is in Canada's best interest—and that best interest will be discussed widely here in this

House and everywhere across this nation; what bottom line is in our best interest—then I am in favour; if we cannot, I am not.

It is not an ideological question for me. We do not know the answers to those questions but I am sure it will take the member's full effort, the full effort of the members opposite, myself and others to make that determination at the appropriate point.

I have said I believe we have a *de facto* veto over the implementation of this situation at the appropriate time. If I pulled out tomorrow, we would not have; we would just blow any opportunity to resolve the outcome.

We are going to continue to monitor the situation and see what happens in a whole variety of areas. I worry about and put forward my concerns about exchange rates, losing our control there, countervail, what happens to us, what happens to them, and all those kinds of questions. National treatment, how other countries would treat it, how they would be treated and what about their subsidies through defence spending and other things. What about our capacity to do individual regional development programs? There is a list of programs that could be hit or subsidies recalled under the present system. What about our social programs here? All of those things are important to me and we are watching them very closely.

I cannot tell the member what will happen, but we will continue to discuss the matter. I hope I have answered my honourable friend's questions as frankly as I possibly can at the moment. As this thing develops, I will be sharing our view along the way.

Mr. Gordon: I noticed in the *Globe and Mail* there was a recent article that talked about how Sudbury has been rising from the ashes and talked quite extensively about how we are now going to have a cancer treatment centre in Sudbury and we do have a perinatal unit. Both of those projects are projects I worked long and hard for, for four years as a matter of fact.

As well as that, I just want to pay the Premier a compliment, and I know he will take this in good stride as he always does. That is that his government decided to carry on the funding for those projects—everybody in Sudbury was pleased with that—and that he has followed up on the commitment.

At the same time, I would like to point out to the Premier, with regard to the fact that we are going to be having more civil servants living in Sudbury as a result of the Ministry of Northern Development and Mines locating in the region—

these are all jobs that are very welcome—the Premier is wont to tell this House from time to time that he is always one for conciliation, that he likes to see people talking.

As a matter of fact, I remember attending a meeting that the Premier chaired with Falconbridge, the union, the local politicians and the region to talk about the layoffs at Falconbridge, and he pointed out at that time how important it was that there be a dialogue that goes on; that many problems can be solved through dialogue. I can recall sitting there and thinking to myself: "I have to agree with that. That makes sense."

That is why I am a little surprised. I understand that on Friday, the Premier received a letter from the regional municipality of Sudbury and from Tom Davies, the chairman of the regional council. On Friday, a letter was given to his office from the regional chairman and the mayor of the city of Sudbury asking the Premier's good offices and intervention in seeing that there be a northern treatment centre for prisons located within the Sudbury region.

I want to bring to the Premier's attention the fact that there are some people living in Sudbury who believe in the conciliatory approach or the approach that recognizes sensibilities and the need for discussion, who believe that is not really happening with regard to this northern treatment centre. They have some very real concerns and I would like to bring those concerns to the Premier's attention now. I do not want to bring all the details, but I would just like to point out some of the things they have said here in a letter attached to a petition of 400 names. What they say here is:

"We are writing you concerning the proposed prison treatment centre in the Kingsway-Barrydown-Second Avenue area. We understand that your committee of Mr. D. McDonald and Dr. Paul Humphries, etc., have now suggested that this centre be erected on the above-mentioned site." This is referring to Correctional Services, and I will come to that in a minute.

"We also understand that this would be one of three experimental units, and we have a question. One question we have for you is, what is the risk to our children? These prisoners have been removed from society for obvious reasons, and you want to place this centre in a residential area. Contrary to our local politicians, the closest house is 1,600 feet away and not 2,800 feet."

They talk about the fact there are a number of schools in the immediate area as well as an extended care residence.

They go on to say: "We feel we have been discriminated against, made to feel like second-class citizens." Their reason I think is quite clear.

"You and your group"—they refer here to the Minister of Correctional Services (Mr. Keyes) and his ministry—"were more than willing to come and discuss this prison treatment centre with the people in the \$100,000 bracket"—and I will explain that in a moment. "However, it appears the people in the \$25,000 to \$30,000 range are not worthy of your time. In closing, we feel it is imperative that the Minister of Correctional Services consent to meet with us"—being the residents of that area—"for a public meeting prior to making your final decision as to the centre's location."

1720

Let me explain it. What happened was that the Ministry of Correctional Services felt, first of all, that Sudbury was an excellent site for a prison treatment centre, because it has the university, it has the adequate psychiatrists and social workers and so forth; it has the infrastructure that is necessary. So what they did is that they initially chose the site that was next to the local sanitarium in Sudbury. At that time, of course, the citizens living in that residential area said: "Hey, wait a minute. This is not a suitable type of edifice to put next to a subdivision."

Much to his credit, the Minister of Correctional Services went up to Sudbury, sat down with those citizens, listened to them and then, after listening to them, said, "If you do not want it in this particular location, then it will not be in this location." As a result, it is not going to be in that location.

However, the Ministry of Correctional Services, in negotiations with the regional municipality and the city of Sudbury, has decided on a location that is very close to another subdivision in our community. I know the Premier wants to hear this. What is happening is that when the people of that area get in touch with the Ministry of Correctional Services—they want to ask questions and they want answers about what is going to happen with this prison treatment centre—they cannot get any replies. They cannot get any answers.

What they are asking for is that before any decision is made with regard to a particular site—and in their case, the particular site that is closest to where they live—they would like to meet with the ministry officials, they would like to meet with the minister and they would like to have all the details with regard to this particular project.

The reason I am bringing it up is that the Premier has stated on more than one occasion that he runs an open government, he runs a government that has no bars between him and the people and he has always been in favour of full consultation. I would ask that he take this under advisement, because this is going to be going through his office and through cabinet, especially given the fact that a letter has been sent on to him, which arrived on Friday and which he might not have seen. I can acknowledge that, I know he has many matters cross his desk; but I would like to ask him here to make a commitment to those people that full consultation will take place before the final site is decided upon.

Hon. Mr. Peterson: Very briefly, I am somewhat familiar with this and I am somewhat familiar with the uproar this has caused in the Sudbury area. It is this government's opinion that the matter should go into the Sudbury area.

The member is right. We should consult. It is one of those situations where nobody likes these things any more than they like garbage dumps. It is a constant problem.

I remember the kerfuffle. I went through one of these things with a prison in my own home town of London, Ontario, when the federal government announced it was going to have one. I have never seen a kerfuffle like that, just as there was one for the energy-from-waste project. These things happen and people have the right to make their determinations.

I can tell the member that no decision has been made. The member may want to be informed, if he is not already, that it is a likelihood it is not going to Sudbury anyway. The member's colleague Jim Kelleher—because it is a shared federal-provincial program—is determined it not go into Sudbury. So my advice to the member, if he is representative of those people who want it in Sudbury, and he may not be, maybe he is telling me he does not want it there; but if he does want it there, then he should be talking to his colleague Jim Kelleher, who has other things in mind for this treatment centre.

Mr. Gordon: I would say this to the Premier, first of all, the people of Sudbury are firmly behind having this northern treatment centre in the Sudbury region. There is absolutely no doubt about that. If the Premier had the opportunity to read the letters that were sent to him, he would know that already.

Second, when the Premier gets up and tells me I should go and talk to Kelleher, who happens to be the federal minister from Sault Ste. Marie; that the centre is going to go there and it is not going

to go into the Sudbury area, I think he is playing games with us. Let us be very clear that it was the Minister of Correctional Services and his ministry that have been trying to negotiate with the federal minister, Kelleher, to see if there cannot be some kind of joint agreement.

At present, there are many federal prisoners as well as provincial prisoners who come out of the north, and there are costs involved. The Minister of Correctional Services, quite rightly—and I have to commend him for this—was looking for ways to economize. It was his ministry that got in touch, first with Mr. Beatty, who had the ministry before Kelleher, and these kinds of negotiations were going on.

If the Premier tells me and the people of Sudbury that it is going to another location because of the federal government, I say to him he is trying to pull the wool over the eyes of the people in northern Ontario, because it was his people who went out and started negotiating. That is the truth of the matter. Perhaps the Premier should go back and check things out and find out what is really going on in that ministry.

Hon. Mr. Peterson: I know exactly what is happening. I will restate for the honourable member that our preference, as a government, is to put that centre into the Sudbury area. The member's advice with respect to a particular location is fair enough. He may have a preference in his riding or somewhere else. That is fair enough. That is our preference.

I am telling the member right now—and the decision has not been made—that is not Mr. Kelleher's view. Mr. Kelleher has a very different view of the situation. Has the member read his public pronouncements on this matter? I am aware of what is going on behind the scenes. If the member wants to go and fight for his constituency of Sudbury, he should use his contacts with his good friend Mr. Kelleher and express his point of view to him. It is a federal-provincial deal, the minister is exerting his influence in the matter and it is that simple.

I tell the people of Sudbury the very same things I tell the member, because that is the fact and is exactly what is happening in this matter. I am sure the member for Sudbury East (Mr. Martel) knows about this situation and I am sure he will want to take this occasion to stand up and agree with me because he is so—

Interjection.

Hon. Mr. Peterson: Come back to your seat and stand up and agree with me.

That is what is happening in the matter. The decision has not been made. It is still being

negotiated. We expect a decision in the not-too-distant future. I cannot tell the member in more plain English what our view is and what our operating premise was from the beginning. I cannot tell him that will be the final result because of the federal decision.

Mr. Gordon: Given the fact we are probably talking about 50-cent dollars—50 cents perhaps from the provincial side and 50 cents from the federal side—and/or some other financial arrangements the Premier might be trying to work out, I am pleased to hear him say it is his determination, his wish, that this prison centre should go in the Sudbury region. I acknowledge that is his preference.

At the same time, I find it hard to believe he is going to turn around and see that it goes to another community in the north when he has already indicated the community that is his preference. One of the reasons it is his preference is that he knows the necessary services are there at present. The Sudbury region has reached that critical mass we talk about that is necessary to attract various types of services.

It seems to me if the Premier were to say, "Okay, we are going to take our provincial dollars, even though it is our preference that those provincial dollars be spent in Sudbury for this centre, and we are going to have them be used in another centre," he would be abrogating his position as the Premier of this province. I find it hard to believe he would even suggest going along those directions.

Hon. Mr. Peterson: First of all, I do not think the member means what he says, because he is being a little silly, but if he feels that strongly, he should tell his friend Kelleher. Does he know how the member feels about this situation? Does the member know how he feels about this situation? Does the member know whether discussions have gone on? I can tell him they have been very heated. It is our view, for the reasons expressed, that the centre is better off in the Sudbury area.

I am telling the member, just so he knows and there is no fooling around, he is in danger of losing it because of his action. It is that simple. If the member wants to take some action—and we are taking the best action we can—he should go and deal with it. He has his ways of dealing with this situation, as do we, but it is like a lot of other situations, it is a shared operation. I am telling him where the pressure is coming from, unless he is telling me we should pull out.

Mr. Gordon: I would not suggest for one minute that anything the Premier said was silly. I would not deign to do that. I think he would probably withdraw those remarks anyway. Nevertheless, when we are dealing with this centre, it is quite clear this centre is something the Sudbury region is fully behind.

The Premier says, "Kelleher wants it too." There is not a citizen in this province who is not aware that if someone is elected for a community he is going to fight to get what he can get for that community. That is the normal process. The Premier says, "Are you aware of what he said?" I am not aware of what he said in any meetings that the Minister of Correctional Services (Mr. Keyes) may have had with him. I am not privy to those kinds of things.

The Premier knows that from time to time we do get up in this House and ask questions and even say: "Would you table for us letters or memos? Would you tell us what is going on?" The Premier is wont to say, or his ministers are wont to say: "Look, we are the government. We decide what is going to happen in this province and you are on the other side now; so sit down and be quiet."

I am saying to him right now that if, as he says, it is his preference that this northern treatment centre be in Sudbury, I can see no logical reason that anything will stop it from going there. The fact that Kelleher wants it? I do not know of one politician who represents a riding who would not be fighting for something that he or she thought would be good for his or her riding.

Hon. Mr. Peterson: When we are talking about Kelleher we are talking about the federal government with its weight and authority. They are the ones who put a prison into Port Cartier. They do things such as that. I do not know whether they are more worried about the member or him. Frankly, I worry about both of them.

I say to the honourable member that since he is fighting for his community, he should go and make the points. This a thing mutually agreed upon between the two governments. We want the thing to go ahead. Mostly, we can work out these kinds of things. We do think the infrastructure is better in Sudbury, for the reasons discussed. We have expressed that point of view publicly and very often. The discussions are coming down to the more intimate parts of the discussion, and the member may want to take this under advisement and do his duty for his community.

Mr. Gordon: I have one more point. I want the Premier to know it is my habit to do my duty for my community and I know he is going to do

his duty for the province too and see that this centre goes in Sudbury where it belongs.

I might also make the point to the Premier that there are a number of provincial projects coming on stream in the Sudbury region. I know he is giving some thought, for example, to a provincial building in Sudbury as a result of his decision to put the Ministry of Northern Development and Mines into Sudbury. That is one area. I might also point out there was a recent announcement that the Ukrainian senior citizens will be seeing a senior citizens' development built in the region.

I urge the Premier to urge his ministers to see that these projects begin as early as possible in the spring, since, as he is well aware, northern winters often add considerable cost to projects. Since we are all interested in economizing when it comes to taxpayers' dollars, I ask the Premier to urge those ministers to get those projects off the drawing boards as soon as possible.

Hon. Mr. Peterson: That is a point well taken. With respect to the north in particular, we are pushing all these things as quickly as we possibly can. They have gone out for design. I cannot tell the member exactly the date on the northern development ministry in Sudbury. I believe it is in the hands of the designers right now.

Have they picked a location? I know that in the Sault they have picked the location; they have picked the site already. In North Bay we have the site already, I believe, because we own the property. I am not sure if we have the site in Sudbury right now, but I can tell the member my instructions are—and the government is committed to this; not to its happening five or 10 years from now but happening right away—commensurate with the tendering processes, getting local architects and everybody going, we are pushing this thing as quickly as we possibly can. I will pass on the advice of the member.

Mr. Sterling: I would like to talk to the Premier about his general overall statements when he first became Premier. He made a great deal about open government, letting the sun shine in and a lot of other statements. I am very much concerned whether or not he has maintained that particular position and is willing at this time to reflect and perhaps go back the year and seven months that he has now been Premier to try to let some of that sunshine get in, even though it is in the middle of winter, which I believe the Premier has not put into practice effectively enough.

Let me quote him. For instance, at the very first, May 14, 1984, during the Premier's

estimates, on page 1507 of Hansard, the present Premier was talking to the former Premier about freedom of information:

"It is something we feel very strongly about. It goes fundamentally to the way we as Liberals see our responsibilities as stewards of the public's money and as trustees of its information. We would implement freedom of information very soon after being elected. We have a draft bill prepared that has been vetted. I believe it would go a long way to solving a lot of the Premier's problems in trying to do this."

Early in July, when we got back to the House, I believe the first bill that the government introduced was the freedom-of-information bill, Bill 34. That bill has languished on the order paper and in committee for some period of time. I was a member of the then procedural affairs committee, which was first charged with having public hearings on Bill 34 and then clause-by-clause on Bill 34. I was also a member of the Legislative Assembly committee, which took over that responsibility at a later date.

There is only one thing that is stalling freedom of information at this time, and that is the reluctance of the Attorney General to put this high enough on his priority list to bring forward that bill in a real manner and spend the time with committee to go through this very difficult piece of legislation, explain to the committee what it means and put it into law.

I guess I am fearful that as the government grows older day by day, there is a greater reluctance day by day to carry this thing to fruition. I have a very great question mark in my mind that before an election is called by the Premier, which is rumoured to be this spring, Bill 34 will ever see the light of day.

That is one area in terms of open government that I am very much concerned that the Premier is willing to call and go forward with, because he has left it now for 19 months. According to his statement back in May 1984, it was a real priority of the Liberal Party; it does not seem to be any more.

Secondly, in terms of dealing with Bill 34, the government and ministers have time and time again refused information to members of the opposition which would be made available under Bill 34. Therefore, the Premier not only is unwilling to call that bill and bring it forward but also is unwilling to live by that legislation at this time.

I refer specifically to the information which the member for Eglinton has called repeatedly upon the Treasurer (Mr. Nixon) to release with

regard to the assessment of homes in Metropolitan Toronto. That information clearly is within the public realm. It was paid for by the people of Ontario who are entitled to see that information.

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Last week I was in the estimates of the Ministry of the Solicitor General. The member for Cornwall (Mr. Guindon) asked about a report, which the Solicitor General has had in his ministry for some time, dealing with police services to Franco-Ontarians. The minister has refused to release that report, yet it was paid for by the public of Ontario and should be on the table in terms of Bill 34 and freedom of information.

I have asked the Attorney General whether such-and-such a document would be released or would be available under Bill 34. He has deflected those questions and refused to answer them.

Do we really have a commitment on the part of this government to open government and to releasing information that has been paid for by the public and should go into the public realm? I believe, as time goes on, we are going to lose the thrust of this matter. The Premier needs to make a commitment on this matter right now.

Hon. Mr. Peterson: I am glad to hear my honourable colleague speak so eloquently and forcefully on this bill. In fairness to the member, he did speak that way when he was a member of the government as well, but he was the only one there who did, unfortunately, at the time. Hence, they junked any of the initiatives the member brought forward.

I can tell him that, unfortunately, the bill is hung up in a committee. It was the first bill we introduced because it is something we believe in. We have taken a great number of initiatives in this House to change the procedures and make the House more effective for back-benchers—

Mr. Sterling: Why do you not live by it?

Hon. Mr. Peterson: I can tell the member. Let us get that bill passed, let us get it up in the House and let us get it into the law of the land. We have brought it in. It is something we believe in. It is just the way we have—

Mr. McClellan: You have to get Ian Scott into the committee first.

Hon. Mr. Peterson: We will get him into the committee. That is not a problem.

Look at the way we have released all the public opinion polls that the previous government used to sit on. We have released all the order-in-council appointments which the previous gov-

ernment used to sit on, which it used to hide and protect.

I say to my honourable friend—I am not making this personal, because I know the member's commitment to this matter—his government's record on this matter stinks; it is nothing to be proud of. This member, I know, was pushing for the matter but he could not get it through to his colleagues because of Roy McMurtry and a lot of others, and that spoke to the priority of his government on freedom of information.

We have brought television into this Legislature in nothing flat, to let everybody see what we are doing, because we are not embarrassed about it. We have published the opinion polls, the order-in-council appointments and a whole raft of other things. Every time the member has a little point, he brings it in the spirit of freedom of information and says, "We have to bring it all in and lay it all out." I can tell the member we share the things we think are covered by the act and will continue to do so.

I do believe this government has participated in an open way in this regard. I am not suggesting we are perfect, but if perfection is relative, we are relatively a lot more perfect than his government ever was. I am not embarrassed about that. I say to my honourable friend he knows that and he knows that in candour.

I sat as the leader of Her Majesty's loyal opposition, frustrated by the lack of information, by the lack of anything that was accorded to the parties. The opposition parties have two, three and four times the amount of money to do research and a lot of other things than they had when we were there.

Mr. McClellan: It was easy.

Hon. Mr. Peterson: That was a nice grab the members made just before they moved out. I congratulate them on that. They need it to run their party, and I understand that. They have problems financing their party. They have to have someone to do it.

Mr. McClellan: No, we do not.

Hon. Mr. Peterson: Yes, they do. As soon as they saw the members on Wheel of Fortune, they all wrote in and wanted their money back. That was the old Liberal guarantee, which was started by Judd Buchanan, "If you don't like what they are doing, you can get your money back." I heard all the New Democrats, after the Wheel of Fortune, wrote and said, "We want our money back, because of McClellan just squandering it up there." That is what I heard.

Back to my point: We have brought in many initiatives dramatically different from those of the previous government. What we have to do is get that bill brought forward. It is in committee. It has been a complicated one, I gather. I do not know all the details. We are anxious to get that passed. It speaks to the way we feel government should conduct itself, and I think in spite of what my honourable friend may say, this government has conducted itself in that way. If the member wants any proof, he should just compare it to what used to be the case.

Mr. Sterling: Then the Premier will have no fear in giving me his commitment today that if we ask for a document, a letter or information of any kind, he will answer our party or any member of this Legislature in one of two fashions. He will say, "You can have the document. Here it is;" or he will say to us, "You cannot have it, and it would not be available under Bill 34." That is all I want.

What he is doing now, and what his ministers are doing now, is dodging the question. If, every time I ask for a document and he says to me, "You cannot have it," he says he is covered by the present Bill 34, then that will be fine and dandy. Will he give me that assurance right now?

Hon. Mr. Peterson: We are saying, get the bill passed. We will get a freedom-of-information commissioner to help us in the determination of all these matters and the appropriate way of handling the situation and we will happily live by his or her determination. That is what we are anxious to do, and we wish the member would co-operate in so doing.

Mr. Sterling: The Premier should not lay that on me. It is the damned Attorney General (Mr. Scott) we cannot get into committee. He has been dodging the committee for a year and a half, and we want to get on with it. The Premier should get him into committee. He is the problem.

Interjection.

Mr. Sterling: It is the Attorney General. The chairman of the standing committee on the Legislative Assembly is going to stand up and confirm it, I am sure.

Mr. Breaugh: I did not mean to spend a lot of time in these estimates. The committee on the Legislative Assembly has offered some opinions on how estimates might be done in a slightly more useful, organized way. It strikes me this is one of those afternoons when we should not only have read the report but also have adopted it.

It seems to me we have spent a fair amount of legislative time in the last couple of weeks when

this would have been a lesson well learned by all of us. We have sat in the main legislative chamber of Ontario, clogged by estimates. It seems to me that is quite a useless, expensive, obnoxious, nonproductive exercise. We know there are better alternatives to doing it and we ought to go and do that. That is the first thing I wanted to say.

The second thing is on the matter of the freedom-of-information bill. I was a little alarmed to hear the Premier point his finger at a former minister of the crown and indicate he thought that minister's record on freedom of information stunk. The same smell from this administration's attitude towards freedom of information is wafting over the chamber.

Hon. Mr. Peterson: You signed the accord. It is your fault.

Mr. Breaugh: Yes. Let me set the record straight, because I think it does need to be put clearly on the record this afternoon.

The standing committee on procedural affairs, now called the standing committee on the Legislative Assembly, had this bill. Frankly, we thought the government was interested in proceeding rapidly with this legislation. We advertised widely and held a number of public hearings on the bill. We received a large number of submissions. Surprisingly, a lot of people out there are interested in this concept, in how it might work, in what needs to be protected as a matter of privacy, and in the main in what should be a matter of public record, what the public should have relatively easy access to. We sat through that long public-hearing process.

Oddly enough, while we were doing that, the Attorney General, who was very busy—I grant him that—repeatedly said: “I am sorry. I cannot get to the committee meetings today, but proceed without me.” That was fine during the public-hearing sessions of the process. I do not think any of us really had any problem with the Attorney General not being in attendance. But the hard fact is that somebody from the government side has to carry a bill through committee. It can be a parliamentary assistant, but until recently he has not had one. Normally, it is the minister.

The minister rightly has indicated that this bill, in whatever form, is going to be a substantial change in the way government in Ontario operates, and he wants to be part of the action. My House leader has been diligently pursuing the matter at the House leaders' meetings. So has my whip; so have a lot of people. For one thing, the clerk of the committee has been trying to find dates when the Attorney General, his parliamen-

tary assistant or anybody the government wants to name is available to carry this bill through committee.

Hon. Mr. Peterson: How about you?

Mr. Breaugh: I will carry the sucker for you.

1750

All through the fall session, we have been trying to find some soul stupid enough, on the part of the government side, to bring the bill into committee and carry it. Unfortunately, we have been unsuccessful so far. I have hopes that when the House prorogues, we will have some renewed promises that the Attorney General or his parliamentary assistant or some other designated hitter, I hope not the member for Brampton (Mr. Callahan) but somebody on the government side, will appear in front of that committee and carry the bill. I do not care who it is. They can send anyone they want to carry this bill.

Quite frankly, I will tell them that in the committee, when we have had our initial discussions around this bill, it is not a particularly partisan operation. The committee itself is not particularly partisan in nature. On all sides, we have a reasonable understanding of what freedom-of-information legislation is about; how it works in other jurisdictions. There will be some arguing over the mechanics of it and there are some fundamental principles to be decided, but on all sides in the committee we are anxious to proceed with this bill. There are a number of us who are kind of parliamentary junkies, so to speak, I being one of them. We think this is important to the parliamentary process and we want it to happen, but it has not happened yet and we are growing increasingly frustrated with the process.

While I am on my feet, I might as well throw in my disappointment with the process that is happily now called appointments in the public sector. I know the books are now available. That much knowledge is available to us all. But I tell the Premier that I, for one, am angry and frustrated that a committee of mine spent a lot of time writing a report on appointments in the public sector. It was difficult, and I want to make this very clear, because I had, on one hand, a political party which had spent a long time keeping the whole patronage system quiet. It wanted nothing said about it.

If you asked questions, no one really knew how appointments were made in the public sector in Ontario. If you asked the members of the assembly, you would get one perspective on how it was done. The truth is, in the Premier's office there was a small group of people who farmed out

these decisions. Sometimes ministers would do that, sometimes local prominent party people would do that. The cream of them all, of course, was retained very tightly in the control of the Premier's office.

We can say this much. We have a slightly more public process at work today, but a committee of the Legislature spent a long, painful session suggesting another way to go about appointments in the public sector. The committee itself, although it was not unanimous in the sense that everyone agreed with everything that was in the report, in the end had kicked heads long enough to know there is a little in here for all sides of the House and, most important, there is a lot in here that is good for the people of Ontario.

So we suggested in our report a process for changing appointments in the public sector. We brought it into this chamber, and this chamber, without a dissenting voice, accepted the report of the committee on appointments. I contend there is a school of thought that has been put to me that, once the assembly in Ontario says, "We accept that committee's report," at that moment there should be a new process put in place.

All of us are aware a new government tried to do things in a somewhat different way, and I, for one, appreciate that. I agree that it may have been a little unfair, after 42 years of standing outside the door, to take away the whole patronage system the moment they got inside at the dinner table. They had about a year before the committee report came down.

I agree there are some mechanics that have to be worked out and a new system will not go into place overnight, so there has not been a lot of crying foul on this side of the House, but I am going to remind the Premier again today. We were given a job by the Legislature to design a new way for the appointments in the public sector. We did that. It was a long, hard, difficult, awkward job but the committee did that. We brought it back to this assembly and this assembly adopted that appointments process.

That may not mean it is a perfect process. It may not mean it is even a workable process, but it does mean something. This assembly has given some instructions to the government on how it believes appointments ought to be made in the public sector. I believe the government cannot ignore that any longer.

Frankly, I was disappointed initially when I saw a written response to the committee's report that was not very polite, in my view. I would reiterate that the government has a chance now, as the House prorogues and we go away and think

about things for a little while, to make some wonderful new announcements about accepting what the Legislative Assembly of Ontario, without dissent, said was a good idea, and that is that the public appointments process ought to be put in place as quickly as the government can do that.

Let me throw two cents more in here around conflict of interest, which is another matter that will come before the assembly in the form of a bill and may in fact wind up before my committee again.

I do not think in the history of Canadian politics there has been such a flurry of politicians accused of wrongdoing, and I think if politicians are like anybody else who is accused of wrongdoing, some will be found guilty but some will be found innocent, and the tragedy is that in politics the public perception is what really counts.

It probably does not matter whether some politician technically violates a conflict-of-interest law or guideline. What does matter is that the public is growing increasingly concerned that more and more people in public life are being accused of wrongdoing and, more important, we do not seem to have any mechanism whereby we determine whether they are or they are not.

If you were someone like Sinclair Stevens, at this point in time, after your hearing process has been broadcast across Canada from one end of the country to the other, it really does not matter very much now to Sinclair Stevens or his family or his political party or the rest of the members of the federal Parliament whether the jury comes in with a verdict of guilty or not guilty. The process has wrecked him asunder. He is long gone.

I think the conflict-of-interest legislation that has been proposed in this chamber has some serious flaws in it, but it is a proposal that can be worked with and I believe that is important. Most important, I believe that we must do everything we can on all of these fronts to restore in whatever measure we can the public perception out there that these people are not all crooks, that this government does not have a whole lot to hide, that this government appreciates that in this day and age the public has a right to know, whether it is prepared to give it to them or not, and it is ridiculous that we find out things about governments in Canada because of freedom-of-information laws that are passed and in operation in the United States. It is lunacy that people from Canada have to go to Washington to get information on activities in Canada, but they do.

I want to give the government a little prod on those three fronts because I think it deserves it.

To be fair, I think this government has been a little overwhelmed with its legislative initiatives in the first while and so I am not going to cry totally foul, but I am going to remind the House that the freedom-of-information bill was brought in here with a great fanfare and surely there must be a way to get some minister of the crown to carry that bill before a committee. That should not be an impossible task.

Those are matters that will be ongoing matters of discussion here, and I think the Premier in the last couple of minutes could maybe give us a quick response on that because I believe that deserves the attention of the Premier and deserves the attention of this government.

Hon. Mr. Peterson: The honourable member makes a number of good points and I very much value his views on the working of this Legislature. He is, as he says, a parliamentary junkie or junkie of some type or other, but anyway, whatever kind he is, he is a member whose opinion I do respect very much on all these matters.

Let me just say that I am anxious to get this freedom-of-information bill through the House. I think it is an important piece and it was symbolically important. I say to the honourable member, and I think he has been fair-minded about the situation, I think we have brought in a great number of changes in the way this place operates. I could delineate them and could compare them to the Dark Ages when we were in opposition, because it is my view that I have a great deal of respect for the members of this House individually and collectively. It is one of the reasons I have asked my colleagues to include members opposite in some of the trade missions we do and to try to find the areas where we have common ground.

There are a lot of areas we are going to fight about, but there are other areas we do not have to fight about and we should be trying to separate those things in our own minds.

I say to the member for Eglinton I would not be comfortable with a position where people go down to Washington and take different views on every subject from those the government of the day has, but if we can work out that situation, all operating as gentleladies and gentlemen, then there are constructive ways that we can work together.

Let me tell the members what made me a little cynical about the way this process operates and that was, and I do not want to resurrect old

wounds, but a double report on one of my colleagues when we ran into trouble and we were accused in the House of certain things and I said, "Okay, all the facts will come out." I will tell the members it took a brave party to stand up and let this thing be tried by people with a partisan interest.

1800

When I was hit with that, I had absolutely no idea. I am telling the member just so he knows. I do not have quite as much faith in the ability of this place to operate independently as I used to, prior to giving that decision out. I am glad the member's friend is here and listening to me in that regard because I regard that as a partisan, political exercise and if you want double jeopardy, you would not put your friends through that, particularly somebody I care about a great deal, who in my mind was a very able minister.

They say, "Okay, if we cannot get you the first time, we will get you the second time." I saw partisanship at its very worst. I agree with him; my honourable colleague speaks well about the problems all politicians have and the kind of scrutiny we all have and the kind of daily problems we face, the daily rumours that run about every one of us in our personal and public lives. That is something we put up with. I hope that our conflict-of-interest bill will go some way to address those kinds of problems with complete disclosure. My friend may have better ideas. I am interested in those when they come into the House, with an independent commissioner to look at those things, to try to raise the ethical standards in the House.

I share with the member—we all do—the sense of cynicism that pervades our business, and I told him one of my ambitions was to try to get rid of some of that cynicism that surrounds our process. I am a little older and a little wiser now. I still have that original dream, but I have been beaten up on the way to that dream. I was beaten up when I gave blood along with my colleague the member for Oriole (Ms. Caplan) in that regard.

Nothing has happened—and we have had lots of tough issues in this House. There are lots of disagreements in the last 10 years that I have had with the member and everybody else, and I say that I have great respect for the process and great affection for my colleagues, but that incident was the most troublesome incident that I personally have faced in this House. Nothing gave me more personal anguish than that.

Members can say that governments take advantage of their situation, the power that they have, the power of secrecy and all that kind of

thing, but oppositions take advantage of their situation too. The member should read in Hansard some of the things that have been said in this House in the last few months. I can say, frankly, not very much by the member's party, but—

Mr. Chairman: Premier, I remind you of the time.

Hon. Mr. Peterson: —it is unbelievable, and when those kinds of things are going to be let fly in this House, it invites a different kind of response from the government. As honourable people, I hope we can work this matter out. We will discuss this again next week because it is a

very important subject for discussion. I thank the member for bringing it up.

Mr. Sterling: Mr. Chairman, just before the committee rises and reports, I would like to ask the Premier—

Hon. Mr. Kerrio: Time. Come back next week.

Mr. Sterling: I just wanted to indicate what I want to discuss next week so that he can properly prepare himself. I want to talk about his reaction to private members' bills.

On motion by Hon. Mr. Grandmaître, the committee of supply reported certain resolutions.

The House adjourned at 6:05 p.m.

APPENDIX A

ANSWERS TO QUESTIONS IN ORDERS AND NOTICES

OCCUPATIONAL HEALTH AND SAFETY

447. Mr. Reville: Would the Minister of Labour provide information on the number of workers at the Canada Metal plant in Toronto who have filed workers' compensation claims for lead-related health problems within the last three years? How many of these workers received workers' compensation benefits? For how long did they receive them? How many times have the lead levels in the Canada Metal plant in Toronto been tested, including testing done by the Ministry of Labour, the company or an outside consultant? What were the results of lead levels in the air at the plant the last time the levels were tested? [Tabled October 29, 1986]

Hon. Mr. Wrye: Officials of the industrial health and safety branch informed me that the occupational health branch has conducted air quality testing for lead 10 times covering 11 areas of the Canada Metal plant, between October 11, 1983, and October 29, 1986. A total of 136 personal samples and 111 area samples were taken during these visits. The company itself took approximately 560 air samples for airborne lead since 1983.

On September 15, 1986, air sampling was carried out for lead in the oxide mill. A total of eight long-term area samples were taken. The results ranged from 0.01 to 0.26 milligrams per cubic metre. Two of the area samples were in excess of 0.15 milligrams per cubic metre, the exposure limit established in subsection 4(1) of the regulation respecting lead (the regulation) made under the Occupational Health and Safety Act. Two long-term personal samples were taken. The results were 0.24 and 0.15 milligrams per cubic metre respectively. On the basis of a 12-hour shift, however, this exposure would yield a result 1.5 times the exposure criteria identified in the regulation.

Four short-term personal samples of 15-minute duration each were taken. The result ranged from 0.07 to 0.3 milligrams per cubic metre. These results were all below the exposure limit of 0.45 milligrams per cubic metre identified in subsection 4(2) of the regulation.

On October 29, 1986, air sampling for lead was carried out in the lead burning department. All results were below the exposure limits set out in the regulation. The one long-term personal sample gave a result of 0.06 milligrams per cubic

**Workers' Compensation Board of Ontario
List of claims and calendar days lost
for selected ICD**

ICD: 98400 - Toxic effect of lead and its compounds

Firm number: 080890

Claim No.	Rate No.	Date of accident	Calendar days TTD
12690046	180	84-05-02	110
12690056	180	84-05-02	125
12690066	180	84-05-02	82
12699176	180	84-12-19	111
14587698	180	84-04-17	50
14802959	180	84-10-15	43
14818068	180	84-10-24	24
14911885	180	85-01-16	90
14940041	255	85-02-06	47
14990867	180	85-03-14	103
15015715	180	85-04-08	52
15325086	180	85-11-27	92
15386462	180	86-01-14	127
15389568	180	86-01-14	140
15414142	180	86-01-24	239
15447155	180	86-02-21	78

* Total for firm #080890:

1,513

metre. The two sequential personal samples, each of 15-minute duration, yielded results of 0.10 and 0.23 milligrams per cubic metre. The total sampling time was 290 minutes, with the time-weighted average exposure during this interval being 0.073 milligrams per cubic metre. This exposure could not be extrapolated to a full shift since the lead burner was working on other items prior to the start of sampling.

The long-term area sample in the lead burning department gave a result of 0.01 milligrams per cubic metre. The two-short term area samples in the lead burning department both indicated results of 0.03 milligrams per cubic metre.

Workers' Compensation Board records indicate that from October 1, 1983, to September 30, 1986, 10 workers at the Canada Metal Co. Ltd. in Toronto filed 16 separate claims and received workers' compensation benefits for the toxic effect of lead and its compounds. The average calendar days on temporary total disability

benefits was 94.6 days per claim. A list of the claims and days on benefit is attached.

Claims are coded by the WCB when the first disability benefit is paid. The WCB does not code reported claims; therefore, we cannot provide information on the number of workers at Canada Metal Co. Ltd., Toronto, who filed workers' compensation claims for lead-related health problems in the last three years.

488. Mr. Martel: Will the Minister of Labour table the following information for the years 1984-85 and 1985-86: How many workers and companies were convicted under the Occupational Health and Safety Act in the branches of the ministry, namely, construction, industrial and mining? What were the costs of fines to each group? How many repeat orders were issued in the year 1985-86? How many convictions have there been for repeat orders in 1985-86? [Tabled November 13, 1986]

Hon. Mr. Wrye: The response is as follows:

1. Total number of companies and workers charged where convictions were obtained:

Branch	1984-85		1985-86	
	Companies	Workers	Companies	Workers
Construction health and safety	104	86	111	218
Industrial health and safety	55	1	44	11
Mining health and safety	2	0	3	0

2. Fines levied:

Branch	1984-85		1985-86	
	Companies	Workers	Companies	Workers
Construction health and safety	\$237,449	\$8,443	\$226,783	\$16,867
Industrial health and safety	\$171,303	\$100	\$140,753	\$4,200
Mining health and safety	\$4,503	\$0	\$12,000	\$0

With respect to the questions on repeat orders and convictions under repeat orders, I would like to point out that on November 21, 1985, a new policy with respect to the issuance of orders was announced. This policy stipulates that orders are not to be repeated. Rather, a notice of prosecution under section 37 of the Occupational Health and Safety Act is to be issued in the event of noncompliance with an order.

During the period from April 1, 1985, to

November 21, 1985, the industrial health and safety branch issued a total of 3,875 repeat orders. There were a total of six convictions for repeat orders in the fiscal year 1985-86 in the industrial health and safety branch. No repeat orders were issued after November 21, 1985, as a result of the new orders policy.

The construction health and safety branch maintains statistics on orders issued under the same section of the Occupational Health and

Safety Act or regulations to an employer on more than one occasion on a particular project. Such orders, however, are not repeat orders in the strict sense of the term, as the offences may not occur on the same location on the project. Thus, the term "similar orders" is more appropriate than "repeat orders" in the construction sector. In the fiscal year 1985-86, a total of 2,523 similar orders were issued by the construction health and safety branch. There were 14 convictions resulting from the issuance of those orders.

The mining health and safety branch issued no repeat orders in the fiscal year 1985-86.

VOLUNTEER FIREFIGHTERS

533. Mr. Wildman: Would the acting Solicitor General and the acting Minister of Northern Development and Mines provide the following figures: the total amount of funds in this fiscal year that were allocated for initial and ongoing training of volunteer fire teams, in northern communities without municipal organization, by the fire marshal's staff, the number of such volunteer fire teams that received training this year, and the total number of fire teams that applied for training and/or should have been given training? [Tabled December 16, 1986]

Hon. Mr. Keyes: The following information has been collected in response to this question:

The total amount of funds in 1986-87 allocated for initial and ongoing training of volunteer fire teams in northern communities without municipal organization by the fire marshal and from the Ministry of Northern Development and Mines staff is approximately \$99,940.

The total number of teams that will receive some training this year is approximately 70. The total number of teams that should be given training is 98. Additional details are included in the attached appendix.

Fire protection teams Unorganized communities

Training provided in fiscal year 1986-87:

1. Three-day training schools (funded by the Ministry of Northern Development and Mines except wages and accommodation for fire services advisers). Four classes in Sudbury, Longbow Lake, Haileybury and Thunder Bay trained 213 students representing 65 teams. One further class potentially before year-end. Total of 120 class hours. Solicitor General cost: \$16,500. Northern Development and Mines cost: \$55,120. Total cost: \$71,620.

2. Fire truck training: Teams receiving a fire truck require 114 hours of specialized training. Six trucks have been delivered in 1986-87, requiring 684 hours of training; 120 hours have been provided. Solicitor General cost: \$9,600.

3. Portable pump training: Teams receiving portable pump packages require 70 hours of specialized training. Six packages were delivered in 1986-87, requiring 420 hours of training; 84 hours have been provided. Solicitor General cost: \$6,720.

4. Ongoing training: The 98 teams should receive three additional hours of training per month with a total requirement of 3,528 hours. One hundred hours to December 31, 1986, have been spent in this area, and it is anticipated that up to 50 more hours may be expended for a total of 150 hours. Solicitor General cost: \$12,000.

Summary: Required training hours, 4,752; provided training hours, 474; cost of providing training (SG, \$44,820; ND, \$55,120), \$99,940.

INTERIM ANSWER

396. Mr. Wiseman: Hon. Mr. Nixon—Additional time will be required to prepare the answer to the question. An answer will be available on or about February 26, 1987.

APPENDIX B

ALPHABETICAL LIST OF MEMBERS*

(125 members)

Second Session, 33rd Parliament

Lieutenant Governor: Hon. L. M. Alexander, PC, QC**Speaker: Hon. H. A. Edighoffer****Clerk of the House: C. L. DesRosiers**

Allen, R. (Hamilton West NDP)
 Andrewes, P. W. (Lincoln PC)
 Ashe, G. L. (Durham West PC)
 Baetz, R. C. (Ottawa West PC)
 Barlow, W. W. (Cambridge PC)
 Bennett, C. F. (Ottawa South PC)
 Bernier, L. (Kenora PC)
 Bossy, M. L. (Chatham-Kent L)
Bradley, Hon. J. J., Minister of the Environment (St. Catharines L)
 Brandt, A. S. (Sarnia PC)
 Breaugh, M. J. (Oshawa NDP)
 Bryden, M. H. (Beaches-Woodbine NDP)
 Callahan, R. V. (Brampton L)
 Caplan, Hon. E. (Oriole L)
 Charlton, B. A. (Hamilton Mountain NDP)
Conway, Hon. S. G., Minister of Education and acting Minister of Government Services (Renfrew North L)
 Cooke, D. R. (Kitchener L)
 Cooke, D. S. (Windsor-Riverside NDP)
 Cordiano, J. (Downsview L)
 Cousens, W. D. (York Centre PC)
 Cureatz, S. L. (Durham East PC)
Curling, Hon. A., Minister of Housing (Scarborough North L)
 Davis, W. C. (Scarborough Centre PC)
 Dean, G. H. (Wentworth PC)
Eakins, Hon. J. F., Minister of Tourism and Recreation (Victoria-Haliburton L)
Edighoffer, Hon. H. A., Speaker (Perth L)
Elston, Hon. M. J., Minister of Health (Huron-Bruce L)
 Epp, H. A. (Waterloo North L)
 Eves, E. L. (Parry Sound PC)
 Ferraro, R. E. (Wellington South L)
 Fish, S. A. (St. George PC)
 Fontaine, R. (Cochrane North L)
 Foulds, J. F. (Port Arthur NDP)
Fulton, Hon. E., Minister of Transportation and Communications (Scarborough East L)
 Gigantes, E. (Ottawa Centre NDP)
 Gillies, P. A. (Brantford PC)
 Gordon, J. K. (Sudbury PC)
 Grande, T. (Oakwood NDP)

Grandmaître, Hon. B. C., Minister of Municipal Affairs (Ottawa East L)
 Gregory, M. E. C. (Mississauga East PC)
 Grier, R. A. (Lakeshore NDP)
 Grossman, L. S. (St. Andrew-St. Patrick PC)
 Guindon, L. B. (Cornwall PC)
 Haggerty, R. (Erie L)
 Harris, M. D. (Nipissing PC)
 Hart, C. E. (York East L)
 Hayes, P. (Essex North NDP)
 Henderson, D. J. (Humber L)
 Hennessy, M. (Fort William PC)
 Jackson, C. (Burlington South PC)
 Johnson, J. M. (Wellington-Dufferin-Peel PC)
 Johnston, R. F. (Scarborough West NDP)
Kerrio, Hon. V. G., Minister of Natural Resources and Minister of Energy (Niagara Falls L)
Keyes, Hon. K. A., Solicitor General and Minister of Correctional Services (Kingston and the Islands L)
 Knight, D. S. (Halton-Burlington L)
Kwinter, Hon. M., Minister of Consumer and Commercial Relations (Wilson Heights L)
 Lane, J. G. (Algoma-Manitoulin PC)
 Laughren, F. (Nickel Belt NDP)
 Leluk, N. G. (York West PC)
 Lupusella, A. (Dovercourt L)
 Mackenzie, R. W. (Hamilton East NDP)
 Mancini, R. (Essex South L)
 Marland, M. (Mississauga South PC)
 Martel, E. W. (Sudbury East NDP)
 McCaffrey, R. B. (Armourdale PC)
 McCague, G. R. (Dufferin-Simcoe PC)
 McClellan, R. A. (Bellwoods NDP)
 McFadden, D. J. (Eglinton PC)
 McGuigan, J. F. (Kent-Elgin L)
 McKessock, R. (Grey L)
 McLean, A. K. (Simcoe East PC)
 McNeil, R. K. (Elgin PC)
 Miller, F. S. (Muskoka PC)
 Miller, G. I. (Haldimand-Norfolk L)
 Mitchell, R. C. (Carleton PC)
 Morin, G. E., Deputy Chairman of Committee of the Whole House (Carleton East L)
 Morin-Strom, K. (Sault Ste. Marie NDP)

- Munro, Hon. L. O.**, Minister of Citizenship and Culture (Hamilton Centre L)
 Newman, B. (Windsor-Walkerville L)
Nixon, Hon. R. F., Treasurer of Ontario and Minister of Economics, Minister of Revenue and acting Chairman of the Management Board of Cabinet (Brant-Oxford-Norfolk L)
 O'Connor, T. P. (Oakville PC)
 Offer, S. (Mississauga North L)
O'Neil, Hon. H. P., Minister of Industry, Trade and Technology (Quinte L)
 Partington, P. (Brock PC)
Peterson, Hon. D. R., Premier and President of the Council, Minister of Intergovernmental Affairs and Minister of Northern Development and Mines (London Centre L)
 Philip, E. T. (Etobicoke NDP)
 Pierce, F. J. (Rainy River PC)
 Poirier, J. (Prescott-Russell L)
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 Polsinelli, C. (Yorkview L)
 Pope, A. W. (Cochrane South PC)
 Pouliot, G. (Lake Nipigon NDP)
 Rae, R. K. (York South NDP)
 Ramsay, D. (Timiskaming L)
 Reville, D. (Riverdale NDP)
 Reycraft, D. R. (Middlesex L)
Riddell, Hon. J. K., Minister of Agriculture and Food (Huron-Middlesex L)
 Rowe, W. E. (Simcoe Centre PC)
 Runciman, R. W. (Leeds PC)
Ruprecht, Hon. T., Minister without Portfolio (Parkdale L)
 Sargent, E. C. (Grey-Bruce L)
Scott, Hon. I. G., Attorney General and acting Solicitor General (St. David L)
 Sheppard, H. N. (Northumberland PC)
 Shymko, Y. R. (High Park-Swansea PC)
 Smith, D. W. (Lambton L)
 Smith, E. J. (London South L)
Sorbara, Hon. G. S., Minister of Colleges and Universities and Minister of Skills Development (York North L)
 South, L. (Frontenac-Addington L)
 Stephenson, B. M. (York Mills PC)
 Sterling, N. W. (Carleton-Grenville PC)
 Stevenson, K. R. (Durham-York PC)
 Swart, M. L. (Welland-Thorold NDP)
Sweeney, Hon. J., Minister of Community and Social Services (Kitchener-Wilmot L)
 Taylor, J. A. (Prince Edward-Lennox PC)
 Timbrell, D. R. (Don Mills PC)
 Treleaven, R. L., Deputy Speaker and Chairman of the Committee of the Whole House (Oxford PC)
 Turner, J. M. (Peterborough PC)
Van Horné, Hon. R. G., Minister without Portfolio (London North L)
 Villeneuve, N. (Stormont, Dundas and Glengarry PC)
 Ward, C. C. (Wentworth North L)
 Warner, D. W. (Scarborough-Ellesmere NDP)
 Wildman, B. (Algoma NDP)
 Wiseman, D. J. (Lanark PC)
Wrye, Hon. W. M., Minister of Labour (Windsor-Sandwich L)
 Yakabuski, P. J. (Renfrew South PC)

MEMBERS OF THE EXECUTIVE COUNCIL

- Peterson, Hon. D. R., Premier and President of the Council, Minister of Intergovernmental Affairs and Minister of Northern Development and Mines
 Nixon, Hon. R. F., Treasurer of Ontario and Minister of Economics, Minister of Revenue and acting Chairman of the Management Board of Cabinet
 Conway, Hon. S. G., Minister of Education and acting Minister of Government Services
 Bradley, Hon. J. J., Minister of the Environment
 Scott, Hon. I. G., Attorney General and acting Solicitor General
 Riddell, Hon. J. K., Minister of Agriculture and Food
 Eakins, Hon. J. F., Minister of Tourism and Recreation
 Kerrio, Hon. V. G., Minister of Natural Resources and Minister of Energy
 O'Neil, Hon. H. P., Minister of Industry, Trade and Technology
 Sweeney, Hon. J., Minister of Community and Social Services
 Elston, Hon. M. J., Minister of Health
 Wrye, Hon. W. M., Minister of Labour
 Grandmaître, Hon. B. C., Minister of Municipal Affairs
 Curling, Hon. A., Minister of Housing
 Fulton, Hon. E., Minister of Transportation and Communication
 Keyes, Hon. K. A., Solicitor General and Minister of Correctional Services
 Kwinter, Hon. M., Minister of Consumer and Commercial Relations
 Munro, Hon. L. O., Minister of Citizenship and Culture
 Sorbara, Hon. G. S., Minister of Colleges and Universities and Minister of Skills Development

Van Horne, Hon. R. G., Minister without Portfolio

Ruprecht, Hon. T., Minister without Portfolio

PARLIAMENTARY ASSISTANTS

Bossy, M. L., assistant to the Minister of Housing (Chatham-Kent L)

Cordiano, J., assistant to the Minister of Community and Social Services (Downsview L)

Epp, H. A., assistant to the Treasurer and the Minister of Revenue (Waterloo North L)

Ferraro, R. E., assistant to the Minister of Industry, Trade and Technology (Wellington South L)

Fontaine, R., assistant to the Minister of Tourism and Recreation (Cochrane North L)

Haggerty, R., assistant to the Minister of Municipal Affairs (Erie L)

Hart, C. E., assistant to the Minister of Health (York East L)

Henderson, D. J., assistant to the Minister of Colleges and Universities (Humber L)

Knight, D. S., assistant to the Chairman of Management Board of Cabinet (Halton-Burlington L)

McGuigan, J. F., assistant to the Minister of Natural Resources (Kent-Elgin L)

McKessock, R., assistant to the Solicitor General and the Minister of Correctional Services (Grey L)

Miller, G. I., assistant to the Minister of Agriculture and Food (Haldimand-Norfolk L)

Offer, S., assistant to the Minister of Consumer and Commercial Relations (Mississauga North L)

Poirier, J., assistant to the Minister of Energy (Prescott-Russell L)

Polsinelli, C., assistant to the Minister of Labour (Yorkview L)

Ramsay, D., assistant to the Minister of Northern Development and Mines (Timiskaming L)

Reycraft, D. R., assistant to the Minister of Education (Middlesex L)

Sargent, E. C., assistant to the Minister of Transportation and Communications (Grey-Bruce L)

South, L., assistant to the Minister of the Environment (Frontenac-Addington L)

Ward, C. C., assistant to the Attorney General (Wentworth North L)

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Administration of justice: chairman, Mr. Brandt; vice-chairman, Ms. Fish; members, Messrs. Charlton, D. R. Cooke, Ms. Gigantes, Messrs.

O'Connor, Partington, Poirier, Polsinelli, Rowe and Ward; clerk, L. Mellor.

Finance and economic affairs: chairman, Mr. D. R. Cooke; vice-chairman, Mr. Ferraro; members, Messrs. Ashe, Cordiano, Foulds, Haggerty, Mackenzie, McFadden, Ramsa, Miss Stephenson and Mr. Taylor; clerk, F. Carrozza.

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Government agencies: chairman, Mr. Gregory; vice-chairman, Mr. Mitchell; members, Messrs. Epp, Grande, Hayes, J. M. Johnson, Leluk, Mrs. Marland, Messrs. Polsinelli, Sargent and D. W. Smith; clerk, D. Arnott.

Legislative Assembly: chairman, Mr. Breaugh; vice-chairman, Mr. Mancini; members, Messrs. Bossy, Dean, Martel, Morin, Newman, Treleaven, Turner, Villeneuve and Warner; clerk, S. Forsyth.

Legislative Assembly, subcommittee on members' services: chairman, Mr. Mancini; members, Messrs. Bossy, Turner and Warner; clerk, S. Forsyth.

Legislative Assembly, subcommittee on security: chairman, Mr. Breaugh; members, Messrs. Martel, Morin and Treleaven; clerk, S. Forsyth.

Ombudsman: chairman, Mr. McNeil; vice-chairman, Mr. Sheppard; members, Messrs. Bossy, Hayes, Henderson, Hennessy, McLean, Morin, Newman, Philip and Shymko; clerk, T. Decker.

Public accounts: chairman, Mr. Runciman; vice-chairman, Mr. Gillies; members, Messrs. Barlow, Callahan, Davis, Epp, Mancini, Philip, Pope, D. W. Smith and Wildman; clerk, D. Arnott.

Regulations and private bills: chairman, Mr. Callahan; vice-chairman, Mr. Haggerty; members, Ms. Bryden, Messrs. Cureatz, Fontaine, Hennessy, Lupusella, McKessock, Pouliot, Shymko and Wiseman; clerk, T. Manikel.

Resources development: chairman, Mr. Laughren; vice-chairman, Mr. Reville; members, Mr. Bernier, Ms. Caplan, Messrs. Gordon, McGuigan, Morin-Strom, Offer, Pierce, South and Stevenson; clerk, T. Decker.

Social development: chairman, Mr. R. F. Johnston; vice-chairman, Mr. Allen; members, Messrs. Andrewes, Baetz, Cordiano, Cousens,

Grande, Ms. Hart, Messrs. Jackson, G. I. Miller and Reycraft; clerk, F. Carrozza.

SELECT COMMITTEES

Environment: chairman, Mr. Knight; vice-chairman, Mr. McGuigan; members, Messrs. Charlton, Eves, Ms. Fish, Mrs. Grier, Mrs. Marland, Messrs. G. I. Miller, Partington, Poirier and South; clerk, T. Decker.

Health: chairman, Mr. Callahan; members, Messrs. Andrewes, Baetz, Ms. Caplan, Mr.

D. S. Cooke, Ms. Hart, Messrs. Henderson, R. F. Johnston, Reycraft, Miss Stephenson and Mr. Turner; clerk, D. Deller.

Retail store hours: chairman: Mr. O'Connor; members, Messrs. Barlow, Bernier, Ferraro, Guindon, Knight, Philip, Reville, Sargent, Shymko and Ms. E. J. Smith; clerk, L. Mellor.

*The lists in this appendix, brought up to date as necessary, are published in Hansard in the first and last issues of each session and on the first sitting day of each month.

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Bradley, Hon. J. J., Minister of the Environment (St. Catharines L)
Brandt, A. S. (Sarnia PC)
Breaugh, M. J. (Oshawa NDP)
Bryden, M. H. (Beaches-Woodbine NDP)
Callahan, R. V. (Brampton L)
Cooke, D. S. (Windsor-Riverside NDP)
Davis, W. C. (Scarborough Centre PC)
Dean, G. H. (Wentworth PC)
Edighoffer, Hon. H. A., Speaker (Perth L)
Fish, S. A. (St. George PC)
Gigantes, E. (Ottawa Centre NDP)
Gordon, J. K. (Sudbury PC)
Grandmaitre, Hon. B. C., Minister of Municipal Affairs (Ottawa East L)
Grier, R. A. (Lakeshore NDP)
Guindon, L. B. (Cornwall PC)
Harris, M. D. (Nipissing PC)
Hennessy, M. (Fort William PC)
Johnston, R. F. (Scarborough West NDP)
Kerrio, Hon. V. G., Minister of Natural Resources and Minister of Energy (Niagara Falls L)
Laughren, F. (Nickel Belt NDP)
Mackenzie, R. W. (Hamilton East NDP)
Martel, E. W. (Sudbury East NDP)
McClellan, R. A. (Bellwoods NDP)
McFadden, D. J. (Eglinton PC)
McGuigan, J. F. (Kent-Elgin L)
Morin, G. E., Deputy Chairman of the Committees of the Whole House and Acting Speaker (Carleton East L)
Morin-Strom, K. (Sault Ste. Marie NDP)
Munro, Hon. L. O., Minister of Citizenship and Culture (Hamilton Centre L)
Nixon, Hon. R. F., Treasurer of Ontario and Minister of Economics, Minister of Revenue and acting Chairman of the Management Board of Cabinet (Brant-Oxford-Norfolk L)
O'Connor, T. P. (Oakville PC)
O'Neil, Hon. H. P., Minister of Industry, Trade and Technology (Quinte L)
Peterson, Hon. D. R., Premier and President of the Council, Minister of Intergovernmental Affairs and Minister of Northern Development and Mines (London Centre L)
Poirier, J. (Prescott-Russell L)
Pouliot, G. (Lake Nipigon NDP)
Reville, D. (Riverdale NDP)
Reycraft, D. R. (Middlesex L)
Riddell, Hon. J. K., Minister of Agriculture and Food (Huron-Middlesex L)
Runciman, R. W. (Leeds PC)
Sterling, N. W. (Carleton-Grenville PC)
Stevenson, K. R. (Durham-York PC)
Sweeney, Hon. J., Minister of Community and Social Services (Kitchener-Wilmot L)
Treleaven, R. L., Deputy Speaker and Chairman of the Committees of the Whole House (Oxford PC)
Warner, D. W. (Scarborough-Ellesmere NDP)
Wildman, B. (Algoma NDP)
Wrye, W. M. (Windsor-Sandwich L)





No. 97

Hansard

Official Report of Debates

Legislative Assembly of Ontario

Second Session, 33rd Parliament

Tuesday, February 3, 1987

Speaker: Honourable H. A. Edighoffer

Clerk of the House: C. L. DesRosiers



Published by the Legislative Assembly of Ontario
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LEGISLATIVE ASSEMBLY OF ONTARIO

Tuesday, February 3, 1987

The House met at 1:30 p.m.

Prayers.

MEMBERS' STATEMENTS

TELEVISION TRANSMITTER

Mr. Eves: I would like to bring to the attention of the Minister of Citizenship and Culture (Ms. Munro) an issue which has been outstanding for some time in Parry Sound riding, namely, the installation of an additional low-power repeater transmitter to bring TVOntario to many households in the Parry Sound area.

In a 1983 letter from TVO to the ministry, the then chairman, Jim Parr, wrote, "We are retaining an estimated savings of \$330,000 from the Timmins-North Bay-Owen Sound project to be reallocated to the Parry Sound project, which will be used for a repeater transmitter, if necessary, for the Parry Sound area."

This information was confirmed and, in January 1984, it was also confirmed that the Huntsville tower would not be sufficient to give Parry Sound a good signal. It has been proven now beyond a doubt that this transmitter in Parry Sound is necessary. However, just two weeks ago, TVO officials told me they do not have the funds to build the transmitter and hope to negotiate space on an existing tower.

Frankly, the constituents of Parry Sound riding, and I as their representative, would like to know what happened to the \$330,000 set aside for this project over three years ago. The need has been demonstrated and the funds should be there. I think the project should proceed without delay. I ask the minister for an explanation of what happened to the moneys earmarked for this project and an assurance that a repeater will be built this year.

NORONTAIR

Mr. Morin-Strom: Last Friday, the province and norOntair announced a call for proposals from other air carriers to privatize some or all of norOntair's network in northern Ontario. This is a proposal that makes no sense to the residents of northern Ontario. We need assurances of more and better transportation links, not the abandonment of such services.

In Sault Ste. Marie, we have seen increased air fares and a noticeable deterioration of service since the federal government and Air Canada abandoned the Sault last October. In recent weeks, I have seen arbitrary flight cancellations and some pretty shoddy treatment of passengers by both CP Air and Air Ontario. Deregulation of the airline industry has not helped any community in northern Ontario. The province's proposal that norOntair be thrown into the takeover game could be disastrous, reducing competition there even further.

Since norOntair was started by the provincial government in 1971, it has expanded to serve 21 communities with nine aircraft. It is an important transportation link, tying together a vast geographic area with a relatively sparse population. The norOntair network would not exist without the \$6-million-per-year subsidization of the provincial government. To turn over its profitable routes to private operators would just increase the cost to the province for the remaining service.

I hope the Premier and Minister of Northern Development and Mines (Mr. Peterson) will act quickly to bury this ill-conceived initiative.

REGIONAL MUNICIPALITY OF YORK

Mr. Cousens: I would like to present to the Premier (Mr. Peterson) today a copy of the presentation I gave last week, on January 29, to York regional council.

The region of York has increased by over 52 per cent from 1979 to 1985. During that time, provincial funding to the region has declined by 38 per cent on a per capita basis. What I would like the Premier to be apprised of through the reading of this report is something of the severe problem we are having with schools.

We need at least 15 new schools a year to keep pace with the growth. We need to emphasize the need for Highway 407, an important thoroughfare in the north Metro and south York region. We need to emphasize the need for more commuter transit. We need more affordable housing. We need more housing for seniors. We need to protect the environment. We need to put more money into our police force.

York region is a beautiful place and a proud place to live, but it is also a place that requires an investment by the province in order for this region to maintain its standard of living. We are investing so much in the province as a whole that the least we can have back is some money from the province to allow us to maintain a style of living that we deserve through our taxes.

In this report, I trust the Premier will see the importance of doing more for the fast-growth riding of York region.

AMBULANCE SERVICES

Mr. Foulds: The treatment of the Thunder Bay ambulance services by the Ministry of Health is absolutely disgraceful. Both the employees and the management agreed to voluntary binding arbitration. That award said in part:

"The employer has offered an increase of four per cent for a one-year term. This is equal to the budget imposed by the Ministry of Health. These employees are doing the same work, require the same qualifications as employees of the Ontario public service, other hospitals, municipalities or other private ambulance services. This board fails to see why these employees of Thunder Bay ambulance services should not be paid comparable rates to those paid by the province of Ontario. They perform the same function and have equal qualifications. All ambulance services are funded by the province.

"By restricting funding to four per cent for this year to private operators and granting nine per cent to its own employees, the government is setting a dangerous double standard. It is our opinion that these actions are reprehensible and irresponsible."

Even after this award of about nine per cent, the miserly Ministry of Health has refused to provide anything above four per cent. This has caused the layoff of two employees. This has meant that hospital transfers among the five Thunder Bay hospitals will be severely and harmfully restricted. That means hospital costs will escalate because active treatment beds will become clogged. It is stupid and shortsighted. The Minister of Health (Mr. Elston) should personally step in to grant the funding necessary.

USE OF PUBLIC FUNDS

Mr. Rowe: Although I have been a member of the Legislature for only 19 months, I fully appreciate the need for all of us to take care not to abuse the privileges of those who entrusted us to act on their behalf. We must not abuse or leave the impression of abuse, that we may have taken

advantage of their sacred trust. It damages the reputation of every member in this assembly.

I rise in my place today to bring a matter of great concern to all of us on this side of the House. Last week a concerned Ontario resort operator brought this invitation to a Liberal Party fund-raising event to my attention. It states:

"The Honourable John Eakins, Minister of Tourism and Recreation, cordially invites you to attend a fund-raising cocktail reception with the Honourable David Peterson and several cabinet ministers, the Honourable Jim Bradley, the Honourable Vince Kerrio, the Honourable Monte Kwinter, the Honourable Lily Munro, the Honourable Robert Nixon, the Honourable Hugh O'Neil, Eddie Sargent, the Honourable Bill Wrye."

I certainly hope the Minister of Tourism and Recreation did not use any public funds, facilities, services or lists to extend this invitation to all resort operators in Ontario.

1340

TEACHERS' PENSIONS

Mr. Warner: The letters continue to roll in from those teachers who retired a few years ago and who were expecting that the government would treat them fairly.

For some unknown reason, the Treasurer (Mr. Nixon) continues not to respond to the legitimate concerns raised by teachers who retired a number of years ago. The Treasurer is well aware that the additional money needed to bring the pension of those teachers up to the same level that other retired teachers are receiving is not very much, that the fund has a huge surplus in it and, as we know, the government traditionally has not paid anything towards the pension, since the accumulated capital in that fund, when invested, creates the government's contribution.

What will it take to get this Treasurer to right the wrong which was done a little while back, and provide the support, which is obviously a payment of equity to those teachers who retired a few years ago?

Mr. Speaker: That completes members' statements. Are there any ministerial statements? None?

Interjections.

Mr. Speaker: Order. Oral questions.

Mr. Harris: Mr. Speaker, on a point of order: The Premier is not present and only five ministers are in the chamber. I suggest we recess for five or 10 minutes.

Mr. Speaker: The Speaker, of course, cannot recess for that purpose.

Mr. Harris: If you ask for unanimous consent; if the government House leader agreed, I am sure the House leader of the third party would agree.

Mr. Speaker: Do we have unanimous consent to recess for five minutes?

Agreed to.

The House recessed at 1:43 p.m.

1349

ORAL QUESTIONS

WESTERN COAL

Ms. Fish: I have a question for the Premier. Yesterday, in response to a question I put to him, the Premier replied, "I can assure the honourable member that I am prepared to meet with her or anyone else on this matter, even though it will be at least five years before anything develops because of the take-or-pay contracts which Ontario Hydro has at the present time." That was in response to my question about using western Canadian low-sulphur coal. Can the Premier describe the terms and conditions of those take-or-pay contracts he alluded to yesterday?

Hon. Mr. Peterson: I do not know the details of those take-or-pay contracts. From what I have been told by Ontario Hydro, my understanding is that certain commitments have been made to purchase coal from other suppliers matched against the requirements of the generating stations. That is what I am told by Ontario Hydro. I have not analysed the contracts myself, but as I have said to the member, I have asked Ontario Hydro to make every single effort to purchase western coal, if possible. That is why many discussions have been ongoing at a technical level and management level and indeed at a political level as well. I am sorry I cannot tell the member the details of those contracts. I have not personally read them.

1350

Mr. Andrewes: Quite obviously, the Premier does not know the details of the contracts. He certainly left the impression here in the House that those take-or-pay contracts were with US coal suppliers. In fact, that is not the case. The take-or-pay contracts are with western coal suppliers. The US suppliers have contracts with Hydro so that in 1982 and 1983, when the recession was on and when Ontario Hydro's demand was diminished, they were able to show some flexibility in those contracts. In fact, those

contracts were reduced by 20 per cent without any penalty.

I ask the Premier: he made that statement; he made it flippantly. It was confusing, it was inaccurate; some might describe it as misleading. It was offered as an excuse for avoiding taking a very strong position on the issue of acid gas emissions and the reduction of those acid gas emissions. Why is he avoiding this issue? Clearly, it provides a reasonable solution to the acid gas emission problem.

Hon. Mr. Peterson: I do not pretend to be a technical expert like my friend opposite. I am just sharing the information I received. If I said something to the member that is incorrect, then I apologize, and I will try to straighten that up. But I am sure my honourable friend would not want to leave the impression that purchasing western coal tomorrow would fix that situation, even though there is a very substantial price differential, as my friend would be aware as a former Minister of Energy.

I would say to him, why did he not buy western coal when he was the Minister of Energy, if he thought it was such a great solution? My honourable friend is not all that credible on this issue. I say to him, why was he not doing something about it?

I can tell him that when I came in, I issued instructions to Ontario Hydro to enter immediately into negotiations and to attempt to enter into that situation. The member also knows that the coal is substantially different from the coal employed presently, and it would require a retrofit.

Mr. Andrewes: I am going to tell the Premier that in 1970, it was a Tory government that initiated the purchase of western coal; it was a Tory government that put the infrastructure in place.

By way of supplementary, I want to ask the Premier whether he agrees with the statement his Minister of Energy (Mr. Kerrio) made to the press, I believe some time over the weekend. It was quoted yesterday. He said, "Whatever the merits of this discussion on more western coal, it is really up to Ontario Hydro's senior management, because the utility is an independent body."

Is the Premier going to allow Ontario Hydro's management to set his agenda on acid gas emissions?

Hon. Mr. Peterson: I think it is very curious, this remarkable volte-face that the member's party has undertaken on this matter. When the Minister of the Environment (Mr. Bradley)

comes in, the member can ask him about acid gas emissions. Under the member's administration, the facts are rather hurtful in the circumstances.

Mr. Andrewes: Does the Premier want some more quotes? He is getting in over his head.

Hon. Mr. Peterson: I do not think we are. My honourable friend is in over his head, and he is trying to crawl out of that black hole his party created, and he helped to create as Minister of Energy.

It was after this government assumed office that the tough control orders were issued to Ontario Hydro, which became, under the member's administration, the second-largest point-source emitter in North America. That is the reality. The previous government created that pollution monster, not us. We are cleaning it up, and we are very proud to pick up the pieces that they dropped so miserably in their 42 years.

Mr. Grossman: The Premier blew it. Now we know why he will not meet with Mr. Mazankowski. It is because he is not briefed on the question.

Interjections.

Mr. Speaker: Order.

GASOLINE TAX

Mr. Grossman: My question is for the Premier. Last month, in discussing the \$500,000-a-day increase in gasoline tax the Treasurer (Mr. Nixon) brought in, the Treasurer rationalized it by saying—and I quote from Hansard—he was “improving not only the capital construction budget but also the maintenance budget” of transportation as well as “public transit, roads to the north and air facilities.”

Given the Treasurer's assurance that he was using his \$500,000-a-day windfall—I should not call it a windfall—his tax increase of \$500,000 a day to improve roads and transportation, I wonder whether the Premier can tell us just how much extra money he authorized be given to the provincial highways program this year?

Hon. Mr. Peterson: I will refer that question to the Treasurer.

Hon. Mr. Nixon: I am very glad to have a chance to answer it, because the honourable member should not leave the impression that we allocate our funds in any way. He knows better than that.

I said that among the programs that are funded, we of course have improved the funding for all sorts of things. I mentioned specifically our hospitals, our post-secondary education facilities and development in the north. The question has been asked a number of times.

The Leader of the Opposition should be aware that the 20 per cent ad valorem was replaced with a specific tax of 8.3 cents a litre. This was decided by the Legislature and the member—and certainly Mr. Speaker—will remember that in fact the Legislature turned back certain requests. That is within the purview and the power of the Legislature, which it saw fit to exercise.

The tax as it is is estimated very exactly at paying just something over \$1 billion for this year. I was interested to note—and I passed on to the Legislature yesterday—that those revenues are going down just a small amount, because, I suppose, of the efficiency of the cars replacing those which were relatively gas guzzlers.

We make no apology for this. Our tax policy is based on payments into the consolidated revenue fund, from which we meet the responsibilities entered into by our predecessor government and also fund those initiatives which have been part of our program.

Mr. Grossman: Of course, the Treasurer has kindly made the point we have been trying to make, which is that the revenues are coming under the gasoline tax exactly as he estimated—just about exactly—and precisely because he decided to bring in a fixed gasoline tax. Had the Treasurer decided not to do that, then the revenues would have dropped; he would have been taking less from the consumers as the price of gasoline dropped.

The Treasurer said, “It is our responsibility”—that is, the government's—“to establish a fair and equitable tax base...and use the money in a fair and equitable way to improve facilities for transportation in the province.” Given that those are the words of the Treasurer and that he has used that \$500,000 a day for improving transportation, how can he account for the fact that the provincial highways program has gone up by three per cent on the maintenance side and only five per cent on the capital construction side, for a grand total of \$17.4 million out of the \$183 million additional tax revenues the government is going to get because it fixed the gasoline tax?

Hon. Mr. Nixon: We account for it by what we consider to be good management. We have considered the requests from the ministers, including the Minister of Transportation and Communications (Mr. Fulton), who has reviewed what has gone before and seen frankly that the budgets for municipal transit and roads had been strangled and that the budget for provincial roads had been totally inadequate. We are improving those transfers.

There has never been the slightest indication that any of our taxes are earmarked, except for two of them, which the honourable member is aware of, that are directed towards recreation and culture. The member knows my view on that, and we can pursue that on some other occasion. I can assure the member that our revenue policies have been successful, which is the word I put on them, and that the funds are allocated towards programs for the good of the community, which we are prepared to defend, here or elsewhere.

1400

Mr. Grossman: I remind the Treasurer that this is not a question about earmarking. This is a question with regard to the Treasurer's decisions on how he spends the additional tax revenue that he himself has taxed for. He cannot spread that burden. He decided to change the tax system, which has resulted in an extra \$500,000 a day from the motorists. The Treasurer himself in this House has used as a rationalization the fact that he needs that money to improve transportation and roads across this province, and that would be understandable since he is taking the money from the people who use the roads.

My simple question is, given the fact that he is getting \$180 million extra per year in gasoline taxes from the motorists and given the fact that he has tried to rationalize it by saying he wanted to improve roads and transportation, how does he reconcile that with the reality that he has decided to put only \$17 million of the \$180 million into improving the provincial road system?

Hon. Mr. Nixon: Using the terminology of the Leader of the Opposition, it is not the "extra" that he is referring to. If he were to compare it to the gasoline tax revenues before his ministry and his colleagues brought in the ad valorem tax which doubled the gas tax, in fact there are many hundreds of millions extra which are spent on programs of a wide variety that are approved by the estimates procedure in this House.

The honourable member says this is not about earmarking and I agree with him, because earmarking is not the policy of this government, it was not the policy of the previous government and I think we were both right in that regard.

NURSING HOMES

Mr. Rae: I have a question for the Minister of Health. I want to ask the minister about our nursing homes in the province. I am sure he will be as astounded as all members will be to learn that in the last two years there have been 149 charges under the Nursing Homes Act and there has been a grand total of seven convictions, with

a grand total of fines of \$1,707.50. Can the minister explain how it is that in the last two years the enforcement of the Nursing Homes Act has apparently proved so impossible?

Hon. Mr. Elston: There have been difficulties in enforcement with respect to the previous drafting of regulations and the manner in which they have been perceived in the courts of this province. A number of prosecutions had also been held up pending receipt of judgements in higher courts. Those matters affect quite substantially the number of prosecutions that have been successfully brought to a close, and I can tell the member that a number of events with respect to awaiting higher court decisions have also dealt some blows to the informations that had been originally laid in some of those matters.

Mr. Rae: What the minister seems to be saying is that a series of appeals and cross-appeals with respect to one decision regarding the Elm Tree Nursing Home has apparently rendered the entire act virtually unenforceable in so far as nursing home inspectors are concerned.

Can the minister explain why he has not made a serious statement in this House with respect to the unenforceability of a major piece of legislation protecting tens of thousands of older people whom the government has a moral and legal obligation to protect? Why has there been no effort made to bring in new regulations specifically dealing with a situation where whole sections of the act now appear to be unenforceable?

Hon. Mr. Elston: We have been dealing with the question of enforceability of the act and we now have before this House amendments which the honourable gentleman knows about. We are also in the process of implementing some of the recommendations which were done as an internal study with respect to our inspection capabilities in the Ministry of Health's nursing homes branch.

We have a number of initiatives which we think will help us do exactly as the honourable gentleman has suggested we should; that is, beef up our inspection capabilities and deal with questions of enforceability of our nursing homes legislation.

Mr. Rae: The minister cannot be allowed to get away with this. In the last year, the total of fines was \$407.50. That is the total amount of fines exacted against nursing homes in 1986. He has two prosecutors employed full-time who are being paid \$72,000 a year and the total amount of money they are able to bring in in terms of prosecutions is \$407.50.

Is the minister seriously arguing that this is an effective record of regulation when one considers that even under the bad old days of the Tories—we all remember how bad those days were—in 1984 there were 622 charges and 93 convictions for a total of \$19,200. Is the minister standing in his place and saying he is an even worse Minister of Health than the various odds and sods appointed by the Tories before they were defeated in May 1985?

Hon. Mr. Elston: Nobody has said that and I do not claim that record. The record of those people speaks for itself. With respect to the people who decide on the scope of the fines, they are known as judges, as the honourable gentleman knows. They make decisions on the basis of the case material put before them. I do not direct what the fines ultimately are. I can tell the honourable gentleman that there have been, as I said in my reply to the opening question, certain difficulties with respect to enforcement of the act. We are looking at ways in which to enhance the statutes so we can deal with questions of the enforceability of the act.

This government has put a great deal of interest in ensuring that the question of quality of life inside those nursing homes is addressed and not necessarily what convictions can be had for a lack of clearance between the floor and the window sills and things such as that. I happen to believe that the quality of life inside those facilities is more important than those structural problems. We are looking at ways we can enhance the quality of life inside the nursing homes for all the people here in the province.

DAY CARE

Mr. Rae: I have a question for the Minister of Community and Social Services, another minister who specializes in looking into things and doing even less. I would like to ask the minister a question today about day care. I ask the minister whether he can confirm our understanding that under existing federal-provincial agreements it would be possible for the province to do two things: that it could fund not-for-profit day care centres on a direct financing basis, increasing the subsidy; and it could test for income. Can the minister confirm that there is nothing now stopping him or his government legally from doing those two things?

Hon. Mr. Sweeney: The honourable member is correct.

Mr. Rae: That is the first step. The second step is, can he confirm that his decision therefore not to move at all in the last year and a half with

respect to those two issues has cost working families somewhere in the area of between \$40 million and \$50 million in terms of money that has not been spent by the provincial government that could have been spent, that could have been allocated and that could have helped those families instead of forcing them to dig into their own pockets to provide day care for their children?

Hon. Mr. Sweeney: No, I cannot confirm that.

Mr. Rae: The minister had better find out, because I would like to ask the minister whether he can confirm that his decision to delay from January until, at the very earliest, June of this year any form of subsidy and the direct financing of day care centres run on a not-for-profit basis is going to cost working families another \$16 million. That is money the minister is not prepared to spend that working families have to spend out of their own families. Does he not think he had better find out every time he decides to delay something for another six months?

Hon. Mr. Sweeney: The decision by this government to be able to fund the entire system is one that has been described in this House a number of times. I remind the member that the increase of 10,000 subsidized spaces in this province in less than two years has increased the total number of subsidized spaces to all families, regardless of where they put their children, by 50 per cent.

1410

WESTERN COAL

Mr. Andrewes: I want to ask a question of the Premier, who was unaware that in 1970, under the Conservative administration, Ontario Hydro entered into take-or-pay western coal contracts, into establishment of a blending facility at Nanticoke, into the building of terminals in Thunder Bay and purchased the rolling stock necessary to bring coal down from western Canada.

Yesterday, in response to the member for St. George (Ms. Fish), he said the following, relative to Ontario Hydro's coal-fired plants, that they "cannot accommodate that western coal at present without a massive retrofit." Can the Premier detail the cost of that retrofit and give us some indication of the impact of that cost on the average home owner's hydro bill?

Hon. Mr. Peterson: The member is quite right. There is western coal coming in now. I believe it is satisfying about—and I could be

wrong—20 per cent of the overall requirements. It is blended in, and Nanticoke was built specifically for that application. The problem is that other plants are not in the same position to absorb that at present.

Mr. Andrewes: The Premier cannot provide the details. He was the one who made the statements, so maybe he needs a briefing. A federal report clearly says Ontario Hydro's acid gas emission problem can be substantially dealt with by using greater quantities of low-sulphur coal. The public mood is very supportive of reducing acid gas emissions. I am sure the Premier has done polls that would substantiate that. Why does he not show some leadership? Why does he not step back from this kind of hands-off treatment of Ontario Hydro and instruct it to build additional blending facilities to do the retrofit on the coal-fired plants, so it can undertake using greater quantities of western coal?

Hon. Mr. Peterson: I repeat to my honourable friend that is exactly the thrust we instructed Ontario Hydro to pursue some time ago, long before his friend Mr. Mazankowski got involved in this whole discussion. That has been the thrust of public policy. There is nothing new about that. We have been working on it for a long period of time.

There is a differential in cost, as my honourable friend knows, and discussions are ongoing in order to sort out all the problems that exist. I say to my friend today, as I said yesterday, our preference is to buy Canadian, and that will be our approach in the future.

Mrs. Grier: I have a question for the Premier on the same topic. All of us know that Ontario Hydro's response to Countdown Acid Rain is to substitute nuclear power for coal-generated capacity. Is it not the case that the reason he has been so reluctant and so slow in response to the federal-provincial task force on using western coal is that he has fallen hook, line and sinker for Ontario Hydro's policy of promoting nuclear power over coal-fired generating stations?

Hon. Mr. Peterson: I would not agree with my honourable friend. I did not realize Mr. Mazankowski was writing her questions, as well as those of my friend opposite, but I say to her that is completely not the case.

We inherited a utility with some problems. My honourable friend will be aware we are enforcing those control orders because of the single-minded, determined leadership of the Minister of the Environment (Mr. Bradley) and we are

solving those environmental problems that were created by the former government.

Mrs. Grier: I would like to inform the Premier that nobody writes my questions. I think Ontario Hydro is writing his answers.

In view of the fact that the select committee on energy, which some members will recall, was told that the contracts with the United States would expire after 1990, only three years from now, we would like to know from the Premier what direction has been given by this government to Ontario Hydro to begin to plan for both the retrofit and the scrubbers that would enable it to use more western coal after 1990?

Hon. Mr. Peterson: As the honourable member will know, a very tough control order was issued under operation Countdown, which my honourable friend was responsible for developing. At the moment, no further decisions have been made with respect to the capital acquisition by Ontario Hydro; at the moment, those decisions have not had to be made. Whether in the future it brings another coal-fired plant, and if so in what location, those decisions have not been made. At the moment, the capacity is not required. I am sure my honourable friend is not advocating building a coal-fired plant that is unnecessary at the present time.

SIÈGE DE COUR

M. Poirier: J'ai une question pour le procureur général.

Dans ma circonscription de Prescott-Russell, L'Orignal est le siège de cour depuis très longtemps. De fait, l'édifice principal date de 1825. Récemment, des rumeurs ont circulé qui indiquent que justement, il y a une possibilité que L'Orignal soit fermé à titre de siège de cour. Je voudrais demander au procureur général si c'est vrai, s'il y a matière à ces rumeurs-là.

Hon. Mr. Scott: I want to thank the honourable member for his question. Having visited L'Orignal, I am well aware of the anxiety the residents of that community have and the honourable member has about the future of this community as a court centre.

L'Orignal, of course, is the county town in that county. Under the present arrangements and under the present Courts of Justice Act, it will remain the county town and will perform all the functions associated with the town. I can assure the honourable member that we are not reviewing or contemplating any change in that circumstance, though it is possible that there may be recommendations about regionalization in the Zuber report that we will have to respond to.

TECHNOLOGY FUND

Mr. Gillies: My question is for the Premier about his favourite computer project.

Mr. Shymko: Which one is that?

Mr. Gillies: The one on the waterfront.

Last week the Premier suggested to the House that Mr. Schwartz and the board of directors of Exploracom were not telling the truth when they said that the Premier had changed the ground rules on their project and introduced the concept of matching funds. He said: "The ground rules never changed. It has very clearly been matching funds."

If this is the case, why did the Minister of Industry, Trade and Technology (Mr. O'Neil) stand in the House on June 23 last year and, when asked if the project was being funded on a matching fund basis, say... "the technology committee, will be meeting during the first part of July and... those decisions will be made at that time"? This is now some three months after the Premier made the commitment to the project.

Who are we to believe? The Minister of Industry, Trade and Technology, Mr. Schwartz and his entire board of directors, or the Premier?

Hon. Mr. Peterson: One thing is very clear. We will not believe the member opposite in these circumstances; that is for sure. I welcome my honourable friend's recent conversion on this project. Perhaps it shows that people can be trained.

It was very clear from the beginning what was going on at Exploracom. It was unfortunate the whole matter did not come together, either from an operating point of view or from a capital point of view. Therein was the problem. It was very clearly part of the deal that there would be matching funds.

I say to my honourable friend it was not a \$17-million project; it was a \$35-million project. We were contributing \$17 million—that was the original deal—and the other part came from the private sector. How could one not have matching funds if it was a \$35-million project? It is quite obvious to me; it may not be obvious to my friend opposite.

1420

Mr. Gillies: I will take it from that encyclopaedic and interesting answer that Mr. Schwartz and the board are correct and the Premier is not.

Let us try him on this aspect of it. Yesterday the Premier talked about the timing between the original announcement and the time the contract was signed with Exploracom by this government. Again, Mr. Schwartz, the board of

directors and a lawyer for Exploracom tell me they have not signed any contract with this government. Again I ask the Premier, who are we to believe? Everyone else involved in this project or him? If this contract exists, which we doubt, is he prepared to table it in the House?

Hon. Mr. Peterson: There is no contract. That is the whole point.

I will explain it to my honourable friend opposite. After the announcement—

Mr. Gillies: So you gave the money without a contract.

Hon. Mr. Peterson: If my honourable friend is misinformed about this situation, I am happy to explain it to him. After the announcement, there was some time before the signing of the contract at which point the funds would flow. We were unable to sign the contract because they did not meet the conditions that were set forward at the time of the original announcement.

Hon. Mr. Nixon: No contract, no money. Interjections.

Mr. Speaker: Order. New question.

LEAD LEVELS

Mr. McClellan: I have a question for the Minister of the Environment about lead pollution in the Niagara Street neighbourhood in the south part of Toronto. I do not know whether I should ask the minister or not. I have raised two questions in the House and I wrote a letter to the minister on October 30, which he has not even acknowledged, let alone answered, asking for an explanation as to why officials in the Ministry of the Environment have been telling our residents that there was no contamination or pollution from Toronto Refiners and Smelters. Then we learned in September that the soil lead contamination has gone up by 126 per cent.

Today we learn, from the same plant that his officials insisted was not contaminating our neighbourhood, lead levels in children near the smelter are double average readings and sufficiently high potentially to impair hearing.

Mr. Speaker: The question is?

Mr. McClellan: Why did the ministry officials provide false, inaccurate and misleading information in 1984, 1985 and 1986 to the residents of my community?

Hon. Mr. Bradley: I guess that is the interpretation the member would place on the information that was provided to him. It was information to which they felt there was an accuracy. They have provided additional information, and information has been forthcoming

from the health department in Toronto. I have given an undertaking to the people of that area and another area around the lead smelters that the province is prepared to undertake a program of soil cleanup and to address the matter of the source of the emissions.

Mr. McClellan: Just for the record, the minister has not even done me the courtesy of replying to my letter of October 30. It is now February 3.

Mr. Speaker: And the supplementary is?

Mr. McClellan: In view of the clear hazard now to children in the neighbourhood, despite three years of assurances that there was no hazard to children in our neighbourhood, now that there is clearly established a hazard to children in this neighbourhood, will the minister issue a permanent control order, a regular control order, against Toronto Refiners and Smelters and undertake a soil removal program for residential properties in the vicinity of the smelter where lead contamination exceeds 500 parts per million?

Hon. Mr. Bradley: As I have already indicated to the member in my answer to his first question, I have already given an undertaking, particularly in the one instance to the people of south Riverdale, that there would be a removal of contaminated soil in that particular area. I have given the same assurance publicly that it would happen where there is a secondary lead smelter which is the cause of that particular contamination. I have been working with a committee from south Riverdale already and I have had communication with others.

Mr. McClellan: I am talking about Bellwoods.

Hon. Mr. Bradley: I know exactly what we are talking about and I have had communication with various people regarding this matter. I have already given the assurance, before the member stood in the House, that there would be soil removal because, obviously, the health and safety of those children must be first in our minds.

As the member would know, there are two aspects to his supplementary. As to the specific level, that will be discussed. I have a committee in effect now which includes residents, the department of health in Toronto and various ministry officials. I will present the latest information to them, in addition to other information, and we will come up with what we consider to be the appropriate level for removal. But they do have that commitment of removal.

Second, in regard to the question of the control order, I will be discussing—

Mr. Speaker: Order. New question.

Mr. Gillies: On a point of order, Mr. Speaker: In the Premier's response to my last question, he indicated that no contract had been signed with Exploracom, nor had he ever suggested that it had been.

In yesterday's Hansard, I would like to quote to the House from the Premier: "Between the time of the original announcement and the time the contract was signed on terms and conditions—"

Mr. Speaker: Order.

Mr. Gillies: We would like to know who is telling the truth.

Mr. Speaker: Order. The member for Brampton with a new question.

Interjections.

Mr. Speaker: Order. The question is to which minister?

Mr. Callahan: I have a question of the Attorney General.

Interjections.

Mr. Callahan: I think the people of Brampton would like to hear the answer to this question, but apparently the Tories would not. They do not care about Brampton any more since they dumped Mr. Davis.

Interjections.

Mr. Speaker: Order. Would the honourable member take his seat? I am just going to wait until everything has toned down.

A new question, directly to the Attorney General, through the chair.

COURT RULING

Mr. Callahan: Provincial Court Judge Smith in the city of Brampton recently handed down a 192-page decision which, in effect, indicates that provincial court judges are not capable of hearing federal charges. What effect, if any, has that had on the court backlog, not only in Brampton but in other areas of this province?

Hon. Mr. Scott: I would like to thank the honourable member for the question. I recognize his concern because the decision in question was given in Brampton and there was a fear that if the decision remained outstanding and uncorrected, backlogs would be created as cases were adjourned.

The fact of the matter is that an application was made to the Supreme Court of Ontario within a 10-day period. The matter came on before Mr.

Justice O'Leary, who allowed an appeal from the decision. The decision is not now in effect and the courts are proceeding to hear cases in Brampton, as elsewhere, in the normal way.

Mr. Callahan: Has there has been an application by any other parties to appeal that decision to a higher court?

Hon. Mr. Scott: I think the answer to that question is yes, although I have only read about it in the press and I have not yet seen the notice of appeal.

Mr. Pope: I would have thought the member for Brampton (Mr. Callahan) would have asked why there is no statement from the ministers today about the Vaughan land deal and the Ontario Provincial Police raids of the last 24 hours.

Mr. Speaker: Order. I would remind the member this is question period. Does he have a question and, if so, to which minister?

TECHNOLOGY FUND

Mr. Pope: My question is addressed to the Premier and it involves his \$17.5-million gift to Exploracom. Have Coopers and Lybrand raised any concern about their report on Exploracom being seen by the public or by any other parties?

Hon. Mr. Peterson: Their opinion on that subject was not asked. To the best of my knowledge it was a legal opinion, but because the matter is being litigated, it should not be made public at this moment.

I say to the honourable member, in addition to that, no money changed hands. I am sure my honourable friend does not want to misrepresent that situation, albeit inadvertently.

Interjections.

Mr. Speaker: Order. We will just wait, if they want to waste the time this way.

1430

Interjections.

Mr. Speaker: Order. Would the honourable member take his seat?

Mr. Gillies: You have been in Ottawa playing lawyer.

Mr. Speaker: The member for Cochrane South would like to ask a supplementary, but if the member for Brantford (Mr. Gillies) does not want to allow that, we will just wait.

Mr. Pope: If the Attorney General (Mr. Scott) wants to give legal advice to the Premier, he should tell the Premier the difference between saying there is a contract and saying there is not a contract and whether that is a misrepresentation.

Mr. Speaker: Order. Does the member have a supplementary to the Premier?

Mr. Breaugh: Come on.

Mr. Pope: Is the member defending all this? Is that what he is doing?

USE OF TIME IN QUESTION PERIOD

Mr. Breaugh: Mr. Speaker, I have a point of order that I would like you to hear. I have a number of colleagues here who want to ask questions today. Not only have you allowed members from the Tory caucus to place remarks on the record without putting questions, but also we have listened to interjections. That means my colleagues do not get to ask questions. Would you please have them ask their questions and let other members participate as well?

Mr. Speaker: I thank the member for Oshawa for reminding all members that if they listened it might be more helpful to all of us.

Mr. Pope: I apologize to the sensitive member for Oshawa, the Liberal apologist. My question is—

Mr. Speaker: No. New question.

PROPERTY ASSESSMENT

Mr. Charlton: I have a question of the Minister of Revenue. The minister will know that there are presently over 100 assessors who have been shipped into the city of Toronto, who are presently working on the property assessment section 63 impact study. Some of those assessors are here voluntarily, some against their will. There are now over 20 grievances which have been filed.

The Ministry of Revenue is paying their expenses. Can the minister tell us why those assessors were required here in Toronto, how much this project is going to cost and how many more assessors will be required to complete the section 63 program in Metropolitan Toronto before it is finished?

Hon. Mr. Nixon: I think the honourable member is aware that by resolution of the metropolitan council, the assessment branch is providing an updated impact study at 1984 values. That is ongoing, and we expect it to be completed and in the hands of metropolitan council by March or April. I was quite surprised it was going to be completed that soon.

As to the additional cost, I cannot find that, other than that these people are professional assessors. The honourable member will know about that. The additional costs would of course

be those necessary to bring them to Toronto and put them up here in reasonable accommodation.

As to the grievances that have been lodged, frankly I am not aware of those. I will look into it and provide whatever information I can in that connection.

Mr. Charlton: The minister is aware that in some of the 10 regional offices from which these assessors have been taken, half of the assessors from those regions are now in Toronto. The work loads are piling up at home. Supplementary assessments for the municipalities' tax rolls will not get done. Perhaps the minister can tell us what arrangements his close colleague and friend the Treasurer has made to compensate the municipalities for the money they will lose as a result of the delays in receiving additional assessments from the regional assessment offices.

Hon. Mr. Nixon: I think the honourable member knows the program of reassessment is ongoing under section 63 of the act. We have requested our assessment staff—actually we had a fairly enthusiastic response from many of them—to move from one municipal jurisdiction to another to accommodate the very special requirements of the reassessments as they come forward. We have tried to plan this in such a way that there will be no serious dislocation in any of the municipalities that have already been reassessed.

I can assure the member that, to the best of our ability, we are going to see that assessments do not fall out of date at the municipal level and that we respond to the requests for reassessment as effectively and in as orderly a way as we possibly can.

TECHNOLOGY FUND

Mr. Pope: I have a question for the Premier again about his \$17.5-million gift to his friends. The Premier made two contradictory statements yesterday and today in the Legislature about the existence or nonexistence of a contract. One of them is a lie and one of them is not. Which is which?

Hon. Mr. Peterson: Let me congratulate the honourable member on the eloquent way he phrased his question this time on instructions from the Speaker.

Interjections.

Hon. Mr. Peterson: I can say to the member there was no contract signed. If I misrepresented something yesterday, I apologize for that, if I said it. I do not recall it, but if it is in Hansard then

presumably I did. I thought we had dealt with this question before. If I had been asked about it, I would have said very clearly, "No contract has been signed." Indeed, that was the issue at stake. After the original announcement, a contract was to be signed. At that point, funds would be forthcoming. The contract was not signed because the deal had not come together according to the understanding at the time of the original announcement. That is the whole point.

Mr. Pope: The whole point is that the Premier has been sliding on this issue since last June. We have not been able to get answers we are entitled to as a Legislature about what was going on with \$17.5 million of taxpayers' money. We have the Premier saying one thing one day and something exactly the opposite the next.

Why will the Premier not see how transparent his reasons for not releasing adequate information to the opposition are, change his policy and release the Coopers and Lybrand report—he has no reason for withholding it—all the documentation on this matter and let the Legislative Assembly and the public of Ontario in on what was going on with his friend Abe Schwartz?

Hon. Mr. Peterson: Why my friend continues to misrepresent the facts in this matter is frankly beyond me. He stands up and says there was "a \$17.5-million gift."

Interjections.

Hon. Mr. Peterson: If I offended, I apologize.

Why he continues deliberately to be wrong in the circumstances is beyond me. No money has flowed in the circumstances, and he knows the circumstances very well.

It is quite clear what transpired. We made a very difficult decision, that it would not be in the taxpayers' interest to become involved financially, because it would end up a continual drain on the taxpayers and we could not stand that in good conscience.

My friend was frustrated in the first instance and he is frustrated now. We made the best judgement in the interests of the taxpayers of this province.

Mr. Harris: On a point of order, Mr. Speaker: The Premier of the province clearly accused the member for Cochrane South (Mr. Pope) of misleading the House. He did not withdraw that. He apologized but he did not withdraw it.

Interjections.

Mr. Speaker: Order. I understood the Premier withdrew. Am I correct?

Hon. Mr. Peterson: I will withdraw it, but he continues to perpetuate a factual error in the House.

1440

VOLUNTEER FIREFIGHTERS

Mr. Wildman: I have a question of the Solicitor General in his capacity and responsibility for the fire marshal's office. On January 16, in a written answer to question 533, which I had tabled regarding the lack of training for volunteer firefighters in unorganized communities in the north—

Hon. Mr. Peterson: Stand up and apologize and admit he is wrong.

Mr. Grossman: We will see what your story is tomorrow.

Hon. Mr. Elston: Larry, go back to the horses again. You look good there. Greenwood for Grossman.

Ms. Fish: Murray, you know which it is. Is it a contract or is it not a contract?

Hon. Mr. Elston: Go check the horses.

Mr. Warner: Throw all the Tories out.

Mr. Speaker: Order. Once again, a number of members are not allowing other members to ask questions. This is question period so as many members can ask questions as possible.

Mr. Wildman: If the Minister of Health (Mr. Elston) will permit me to ask a question, I will proceed to ask a question of his colleague the Solicitor General with regard to the lack of training for volunteer firefighters in unorganized communities in the north.

In his written answer to my question, which he tabled on January 16, the minister admitted that 28 out of a total of 98 fire teams in unorganized communities received no training at all last year. His ministry calculated that a total number of hours for training of 4,752 was required, but in fact the fire marshal's office had provided only 474 hours of training, about one tenth of what was required. Can the minister explain why he is endangering the lives of volunteer firefighters and the general public by sending these firefighters with little or no training, without proper training, to drive fire trucks in emergency situations and to try to fight fires to save lives and property?

Hon. Mr. Keyes: I thank the member for Algoma for his question. The matter of safety of firefighters is always uppermost in our minds. If he will check the records of the past, he will find more hours have been spent in training these

people in the unorganized districts in the past year than we have seen for some time. In our estimates for next year, we certainly will be continuing to provide that type of training. Much of the training is done by the members themselves under the district fire co-ordinator in that part of the province and we heartily endorse and lend them support in continuing it.

Mr. Wildman: Does the minister not understand that in his own written statement he told me that there were 684 hours of specialized fire truck training required and he provided 120; and that there were 420 hours of portable pump training required and he provided 84? Is he proud of that? The question I have is—

Mr. Speaker: Order.

Hon. Mr. Keyes: We will continue to train firefighters in accordance with the need and as the funds are available to provide that type of training, as we have done in the past; we will continue to do so in the future.

Mr. Wildman: Provide the funds or resign.

Some hon. members: Oh, oh.

Mr. Wildman: You have resigned once already. You cannot do the job. Resign again.

Interjections.

Mr. Speaker: Order. Will the honourable member—if we have all calmed down now, new question.

DRUG BENEFIT FORMULARY

Mr. Leluk: I have a question to the Minister of Health. During the past month and a half, I have provided the minister with numerous pharmacy drug purchase invoices from Drug Trading and National Drug wholesalers, which have a one-drug-price policy for all purchasers. I have a computerized printout here identifying some 160 drugs, the costs of which were taken directly from these invoices, which were higher to the pharmacies than the prices listed for the same drugs in the formulary.

Mr. Callahan: Conflict.

Mr. Epp: Conflict of interest.

Interjections.

Mr. Speaker: Would the honourable member for York West (Mr. Leluk) take his seat?

Interjections.

Mr. Speaker: Order. It was very difficult for any of us to hear because of the unfolding of paper.

Interjections.

Mr. Speaker: Order. Now perhaps the member would like to try his question again.

Mr. Leluk: For these 160 drugs, which have been identified from the invoices I have provided to the minister, the costs were higher to the pharmacies than the prices listed for the same drugs in the formulary, including the 10 per cent purchase allowance.

What is the minister doing to correct this intolerable situation so that the 2,000 pharmacies affected in this province are not forced to transfer their losses from these 160 drugs to the cash-paying public through their dispensing fees?

Hon. Mr. Elston: The question of the formulary has been brought to my attention by the honourable gentleman, and I must say that I—

Mr. Rae: Declare your interest.

Hon. Mr. Elston: Declare what? The leader of the third party is declaring something. I was temporarily taken off stride.

Mr. Speaker: Interjections are out of order.

Hon. Mr. Elston: I will at this point thank the member for York West, who has been extremely helpful in providing information about the problems that have come up as a result of the printing of the new formulary. As the honourable gentleman knows, we are dealing with an entirely new concept called best available price, which was introduced and passed in committee with the assistance of the two opposition parties, which felt it was a good way of putting together a new program.

The member has brought to my attention and has been very helpful in addressing to us a number of the concerns that have been raised by people in the pharmacy sector of our health care services. I have indicated to him that we are reviewing the material, that we are looking at printing a new formulary and that his information will be of help to us in dealing with the difficulties we all have found are at hand.

Interjections.

Mr. Speaker: Order.

Hon. Mr. Elston: That being the case, I will accept further information from the gentleman as we help erase the problems.

Mr. Leluk: I have a supplementary question, Mr. Speaker?

Mr. Speaker: Indeed.

Mr. Leluk: Although we recognize there are some growing pains with the best available price concept, the problem is not with the legislation; it is with the regulations this government has

brought in to these bills. Can the minister assure this House that the cash-paying public will not continue to pay higher prescription prices than necessary because his ministry, by regulation to Bill 54, requires pharmacies to submit purchase invoices for each prescription filled where the cost of the drug is higher than BAP plus 10 per cent? Will the minister immediately revoke this regulation so that the current practice of pharmacies referred to is discontinued?

Hon. Mr. Elston: The honourable gentleman knows full well that the question of bringing the two bills into effect will take some time, and it has taken some time for our people to deal with the questions he has raised, but he is asking me to guarantee something I cannot in terms of what happens with the price structure in pharmacies.

As the honourable gentleman knows, what the problem was originally pointed out to be by the auditor was that in fact the taxpayers of Ontario were paying too much money with respect to the delivery of the Ontario drug benefit program. We have introduced Bills 54 and 55 in a form we felt would allow us to handle the criticisms that were levelled at us by the auditor. We did so. The bills were substantially amended, and we now are working to implement those concepts in a manner that will be protective of the taxpayers of this province.

I will give the honourable gentleman the commitment of this minister that we will continue to look after the needs of the taxpayers and that we will do the best we can to deal with the information he has forwarded to me in a very helpful way. For that, I thank him.

1450

ATTENDANCE OF MINISTERS

Mr. Andrewes: On a point of information, Mr. Speaker.

Mr. Speaker: I think it should be a point of order or a point of—

Mr. Andrewes: A point of order.

Mr. Speaker: Try me.

Mr. Andrewes: My point of order is this, Mr. Speaker: At 1:15 p.m. today we were told by the government House leader's office that there would be no ministers absent from question period. We have yet to see the presence of the Minister of Colleges and Universities (Mr. Sorbara), the minister responsible for the youth secretariat, the Minister of Transportation and Communications (Mr. Fulton)—

Mr. Speaker: Order.

[Failure of sound system]

ORDERS OF THE DAY

PAY EQUITY ACT (continued)

LOI DE 1986 SUR L'ÉQUITÉ SALARIALE (suite)

Resuming the adjourned debate on the motion for second reading of Bill 154, An Act to provide for Pay Equity in the Broader Public Sector and in the Private Sector.

Suite du débat ajourné sur la motion de deuxième lecture du projet de loi 154, Loi portant établissement de l'équité salariale dans le secteur parapublic et dans le secteur privé.

Interjections.

Mr. Speaker: Order. The House now is ready to debate Bill 154, in case some of you did not hear that.

Mr. Harris: I believe I adjourned the debate on this bill when we were debating it last week. I was pleased to adjourn the debate at that time. Today I am pleased to turn the debate over to my esteemed colleague the member for Sudbury (Mr. Gordon), who I know is ready to roll.

The Deputy Speaker: Any questions and comments of the member for Nipissing (Mr. Harris)? I see a multitude of people standing up. Do any of those people wish to ask questions of the member for Nipissing or make comments? I see the member for Mississauga North (Mr. Offer) standing. Is this debate? No. Therefore, the member for Sudbury appears to be next.

Mr. Gordon: I thank the Speaker for concurring that I am next in the debate on Bill 154. Of course, my House leader had something to say about it as well. I think any discussion of Bill 154—

Interjections.

The Deputy Speaker: Will the member please take his seat? Let us just wait until things settle down a little. Everyone is having trouble hearing you.

Mr. Gordon: I think any discussion of Bill 154 should lay out some parameters as to exactly what the situation is at present for women in Ontario, and we could also say in Canada and North America. It would perhaps be fitting at this time to point to an article that was written by Judge Rosalie Abella, who carried out a royal commission which dealt some time ago with the whole question of women, equality, pay equity and so forth.

If I might quote from an article she wrote, she said—and I think this is the heart of the matter—“The essence of equality for women now and in the future is that in their options, which may or may not include the selection of a traditional role, they face no greater economic liability than would a man, and that, in whatever employment environment they choose, they receive the same benefit for their contribution as would a man.”

This is really the heart of the debate. For too many years, women have faced the problem of being underrepresented in practically every occupational category we could possibly look at or discuss within the framework of what we call the world of work in Ontario, in Canada or in the rest of North America. I will be referring a little later on to some statistics and facts which will highlight that and bring the point of this debate to a clearer description.

In any discussion of Bill 154, I will have to make it clear that from my own point of view and from the point of view of many of my colleagues—I wonder, Mr. Speaker, are we going to have a debate today in the House or am I going to have compete with other people?

The Deputy Speaker: Right, thank you. The member for Sudbury is quite correct. There is altogether too much discussion and too much noise going on. Would members please break it up or carry on their conversations elsewhere?

Mr. Gordon: Thank you very much.

I wonder whether many people realize just how difficult it is for women in the various occupations they are in today in this province. I wonder whether many members of the public realize how difficult it is for women to get raises in the firms with which they work. I wonder whether a lot of the members realize how hard it is for women to advance within the various governmental institutions or governments with which they work, or even in the corporate sector.

It is very difficult. One of the problems is that for too many years in our society we have viewed women as being the child-bearers. We have looked upon them as the people who should be in the home and looked upon them as people who should be relegated to that particular role. From my own point of view, one of the saddest things I have seen in my lifetime to date is the lack of opportunity and the prejudice women face in our society. We hear a lot of talk about pay equity and about equality of opportunity for women, but in actual fact women are having just as difficult a time today as they did 50 years ago in getting jobs, in getting advancements in those jobs and in

getting the kind of pay they should have in those jobs.

I have reports, surveys and studies here today showing that to be the case. We just have to look at the fact that today at least 50 per cent of those people who are graduating from university are women. Yet, if we examine the statistics, we will find those women, when they are hired, inevitably end up working in jobs where they are paid less than men who are hired for the same jobs. These are the facts. These kinds of things are still going on in 1987.

That is why I guess at times when I hear some people in our society moaning and groaning about a bill like Bill 154, moaning and groaning about how this is a terrible infringement upon the business world, that it is a terrible infringement even on various government bodies—municipalities, school boards or whatever—I just wonder whether these people are living in the same century as I am. I am just kind of wondering whether those people have daughters. I am just kind of wondering whether they view women as human beings the same as they are. I think that is one of our problems today, that we are still in our society not treating women as persons. We are not treating them with the same kind of equality, with the same kind of outlook as we find men are being treated, and it is not right at all.

1500

I would like to take a few moments to back up the point of view I express today with some statistics that I think help to narrow the parameters of this debate and perhaps will help all Ontarians to understand better the genesis of Bill 154. Actually, Bill 154, as many people know, is the question of pay equity, is the question of seeing that women who work in certain jobs are paid for the value of what they are doing at the same rate as someone who is doing a similar job, be it male or so forth.

I would like to take this time to point out a few statistics to the people who are here. As I mentioned earlier, a royal commission report was done by Judge Rosalie Abella, called Equality in Employment, and the commission was called the Commission of Inquiry on Equality in Employment. The report was brought down in October 1984.

One of the things the judge did was to look at a certain number of what she called designated federal crown corporations. I use these for the purposes of example only. She looked at 11 federal crown corporations. Crown corporations are, as members know, government-owned corporations and really represent a broad range of

occupations and activities as carried out by crown corporations in this country today.

These corporations are such corporations as Air Canada. Everybody is aware of what Air Canada does. It flies not only across Canada; Air Canada flies not only in and out of Sudbury. I want members to know too, those members on the other side—if I might just digress for a moment so that the members opposite will find this more interesting—that the next time they go up to Sudbury and want to leave a cheque there, I can assure them Air Canada is a very good airline and it would not hurt at all to use it. Mind you, if they happen to use Air Ontario, I would say to the Minister of Community and Social Services (Mr. Sweeney) it too is owned by Air Canada and we have excellent service.

Air Canada was one of those corporations, as were Atomic Energy of Canada Ltd., Canada Mortgage and Housing Corp., Canada Post Corp., Canadian Broadcasting Corp., Canadian National Railways, De Havilland Aircraft of Canada Ltd., the Export Development Corp., the Federal Business Development Bank, PetroCanada and Teleglobe Canada.

I think all members in this House would say that that was a very representative group of occupations in the country today, and I ask them to remember that these are government crown corporations. We are not talking here about business corporations in this province or in this country; we are talking about the crown corporations. Usually, one would expect that crown corporations would be the most enlightened in their approach to women and to the kinds of occupations women have and the kind of pay they receive. I would like to take a few minutes to point out what happened when the good judge looked at these corporations.

First, let us find out how many people were involved in the corporations. She found that the 11 corporations employed more than 175,000 people in July 1983, and of these, more than 79 per cent were men and 21 per cent were women. She also found in her examination that, taken as a whole, the corporations employ a significantly lower percentage of women than are found in the general labour force, where they constitute more than 40 per cent.

Then she goes on to talk about the variations and the occupational categories. She makes the point that of the 5,052 employees hired by these corporations in the one-year period from 1982 to 1983, 27 per cent were women. She also points out the percentage of women hired as permanent employees in all 11 corporations during the

12-month period, and she says that about one in every three people hired at the middle management level was a woman. The same was true at the semi-professional and technical levels and at the supervisory level.

On the other hand, almost 1,100 people were hired during the 12-month period at the unskilled level, and only 15 of them were female. In the category of skilled work, 195 people were hired, only 14 of whom were female. Moreover, all 14 were hired by one corporation, which was the CBC. In the semi-skilled category, 1,120 people were hired, only 101 of them female. Again, she is making the point that when it comes to being hired in these 11 crown corporations, women are always found to have the lowest numbers.

More than half the women taken on permanently were hired for clerical positions. In some corporations, as many as eight or nine of every 10 women employed were hired for clerical positions, frequently the lowest-paid positions in the corporation. Whatever advances have been made, the 11 corporations still have far to go in providing equal employment opportunities for women.

The judge goes on to say the female participation rate in categories offering the greatest economic opportunities in 1983 was generally low. The male representation in job categories in these 11 crown corporations was as follows: 96.3 per cent male in upper-level management. Where are the women in the upper levels? They are not there. It is 89.5 per cent male in middle management. Again, where are the women?

This report came out in 1983, and we view ourselves as a progressive, enlightened society, a society that makes great advances in many areas. We can go to the moon, we can invent space shuttles, we can invent and use better subway systems in Metropolitan Toronto and we can have better transportation systems between various cities in our country. Yet when it comes to the hiring of women, when it comes to women getting ahead in various corporations, be they crown corporations or private businesses, the women just are not there.

The figures were 92.1 per cent male in professional occupations—in other words, 92.1 per cent of those in professional occupations in those 11 corporations were male, not female; 83.5 per cent male in semi-professional and technical occupations; and, finally, 59.7 per cent male in supervisory, such as clerical, sales and service positions.

These were the statistics as she found them in 1983. Then she went back and talked about 1978. Let us find out whether things have improved that much. That is one thing we should try to ascertain in this House today. What did she find? She said of these figures, which I just related to you, which were for the 1982-83 period in the 11 crown corporations, "in relation to 1978 this does not represent a significant change from the male representation in 1978 when it was 98.9 per cent male in upper-level management, 93.9 per cent male in middle management, 93.8 per cent male in professional occupations and 89.8 per cent male in semiprofessional and technical occupations."

Quite frankly, it is clear that women today in Ontario and in this country are still being held back by the prejudices of our society. Our society, the culture we live in, has a built-in prejudice and discrimination when it comes to women. I do not see that we have changed that much in our society as yet.

There will be some people who will say: "Wait. Look, Jim, we have heard the various ministers of this government. We have heard people at the federal level talking about women, talking about the great advances that are going to be made in the future, talking about all the wonderful things, all the wonderful services that are going to be there for women."

In actual fact, to change the kind of society we live in today to a society that treats women as persons, that gives women equal opportunity, whether it be for pay, for advancement or to get a job, is going to require the efforts of each and every one of us, not only in this House but also in every institution and every business in this province. It is going to require a well thought out and intensive rethink of how we look at women in our world today.

The members might say: "Come on, Jim, are you not stretching it a bit? Are you not being a little hard on us?" I think statistics are quite clear as to where women are in the world today in our society and how hard it is for them.

In case the members think it is not hard, when the average male goes into a company to apply for a job, the person who is hiring, the personnel manager, does not usually ask him: "How many children do you plan on having? Are you married? Are you planning on having a baby? What are your plans? Do you mind travelling? How about being away from Sudbury or from Toronto overnight? Do you think you could handle that?"

Do the members think men are asked those kinds of questions? Men are not asked those kinds of questions when they go in to get a job. But in 1987, right now, when women go in to apply for jobs even though, according to the Human Rights Code, there all kinds of questions that are not supposed to be asked of people, these questions are asked of women.

The members might ask: "Why do the women not complain? How come we do not hear about it in this Legislature?" Let us take a typical female university graduate today, a woman who is going out to apply for a job. Let us suppose she is asked the questions I just indicated. Do the members think she is going to go to her MPP and complain? No way. She wants to get a job. She does not want to be branded as somebody who is a troublemaker before she even gets her first job. That is the way it is out there.

I know of an instance where, in 1986, one of the top companies in the copying field in Ontario suggested to a young lady who was being interviewed for a job that she stood a better chance for a job with that company because of her anatomy. When was the last time any of us went out for a job and it was suggested to us that perhaps we would stand a better chance of getting a job, let us say here in this Legislature or maybe with some crown corporation or some business, because of our anatomy?

That is one of the problems that is faced by women in the world today. I have no sympathy at all for people who write articles talking about the problems that might occur because of this pay equity legislation. I will read members a little comment out of one article. The headline is "Pay Equity Legislation Can Seriously Hurt the Economy and Women."

Before I read it, I would like to refer to another one. This is a very interesting book, for those who want to read it. It is called *Working Canadians: Readings in the Sociology of Work and Industry*. I recommend it to anyone who wants to develop a little more enlightened attitude towards the problems that are faced by women in our society today.

I would like to read the members a few lines from this book, which came out recently; it re-emphasizes the problems faced by women in the world of work. The editor says:

"The work of women has historically gone unrewarded and unrecognized, largely because they have toiled within the confines of the home as wife and mother. At the turn of the century, only 16 per cent of Canadian women worked outside the home for pay and, with the exception

of the two world wars when women temporarily filled the jobs of men who had gone off to fight, it is only since the 1950s that we have witnessed a dramatic increase in female labour force participation. Highlighting this trend has been the employment of married women, to the point where now over half of all wives are holding paying jobs."

In one particular chapter they point out:

"It graphically portrays how the majority of working women are trapped in low-level, dead-end and poorly paying jobs in the clerical, sales, service and light manufacturing sectors."

They also point out—and I think this is particularly interesting; certainly it jumped right out at me:

"Remarkably, the same job ghettos have accounted for the bulk of female employment since the early 20th century. This fact underlines the formidable hurdles women encounter when trying to improve their work situations. Clerical work is a good example of a typical female occupation."

With that bit of information, I would like to relate a few points from another article that came out recently. I read the title a minute ago; it was "Pay Equity Legislation Can Seriously Hurt the Economy and Women." This is what this author says. I am just going to read a few lines. This is the kind of scare tactics that are used by some authorities. They call themselves authorities, but they are really hacks or shills for certain types of people.

It says, referring to the pay equity legislation, "Such legislation poses a threat to individual freedoms." I do declare. Mr. Speaker, did you hear that? This was actually printed. This actually turned up in the *Ottawa Citizen*. This article comes from our fair capital of Ottawa. It says this pay equity legislation "poses a threat to individual freedoms." Whose freedom?

We have gone through the statistics on what exactly are the problems faced by women today, in 1987, in our society. This person has the audacity to say it is going to hurt individual freedoms.

1520

Mr. Breagh: Who said it?

Mr. Gordon: We will get to who said it in a minute. The author goes on to say, "Lurking"—listen to that word; I wonder whether that person had to go to a dictionary to look up that word—"Lurking beneath the attractive veneer are serious negative repercussions for business, especially small business, and consequently, bad news for women, the group the concept is

intended to benefit." It goes on to say, "Indeed, the pay equity wolf is a proposal for extensive and heavy-handed regulation swathed in sheep's clothing."

One would think that by now an individual would find that attitude very difficult, if he were thoughtful in any way, shape or form and was looking at what women are faced with in our society when it comes to getting jobs, getting ahead and the kinds of advancement they would like to have.

What really points it out is another article I came across—

Mr. Breagh: No, wait a minute; who said it?

The Deputy Speaker: Order. The member will present his speech in the way he wishes without interjections.

Mr. Gordon: Another article—which again, lo and behold, turned up in Ottawa, the capital of this great country of ours—was one written in the business section of the *Ottawa Citizen*. The title of the article was "Trapped by the Glass Ceiling." We all know what pay equity is supposed to do. Pay equity is supposed to attempt to provide more money and equity when it comes to dollars and cents for women who are trapped in what we call the job ghettos in our society.

How are women doing in the other areas of our society? How are they doing in corporations? Are they really getting ahead or are they having a difficult time? This article points out some of the other features and the other problems women are faced with. For example, it says here, "But for all the changes, women executives still find that their advancement up the corporate ladder is blocked by what they call an invisible barrier or a glass ceiling, transparent enough to provide a view of the chief executive suite but tough to break through."

It also points out what women make. This survey was done in the United States, but the same statistics will apply here in Canada. Let us talk about money. It says: "In the United States, just one per cent of working women earned more than \$50,000 last year, compared with nine per cent of men. Not even one in 10 women earned \$30,000 or more compared with one in three men." It says, "It is rare for women executives to get jobs paying \$100,000 or more, along with the usual stock options and bonuses that men get." The author points out, "There are several reasons for the impasse, ranging from the male manager's discomfort with female executives to the pressures of balancing work and family life, which increasingly lead women to choose less conventional career paths."

A study was done by management consultant Allan Cox, who wrote the book *Inside Corporate America*. This book is very interesting because it has a very extensive survey in it. Cox surveyed 1,200 executives in 13 major companies. This is what he found. He said, "Male managers generally agree that women should be promoted but preferably in someone else's department."

As I said earlier in my talk today, this society needs more than a pay equity bill; it needs more than just laws that say you cannot do this or that when it comes to people who are disadvantaged, whether they be women, whether they be the disabled or so forth. What we need in our society is an all-out frontal attack through the various institutions that we have, whether they be educational institutions, whether they be through the institutions of the church or government, to see that there is an attitudinal change within our society and within our culture when it comes to viewing women and how they relate to the rest of society.

Members might think: "So what? Women can wait another 50 years." I can tell them that women are not going to wait another 50 years. Women today are just as well educated as men. As time goes on they are not going to put up with the kinds of discrimination and prejudice they have been facing to date. Any government that does not recognize that is going to be a government in trouble. That is why this government, I would have to say, and I am looking for it to bring in—and I know perhaps some of the members of the New Democratic Party will howl and scream, when they hear me say this, "How can you say that?" I am going to say it anyway. One of the fundamental matters that has to be dealt with in future in legislation is the whole question of day care.

Without day care, the 50 per cent of those women who are working today and who have families are not going to be able to look to getting better jobs with the pay that is going to come with it and are not going to be able to say yes to a personnel manager who says to them, "Are you going to be able to travel?" because they know there is not going to be someone there to take care of their children. Those women are going to know that they are not going to be able to develop their potentialities as persons in our society to their fullest.

This is the sad thing; to think that there are people in our society who have the ability, the brains and the talent and are not being given the opportunity. Anyone who looks at it from that

point of view is going to say that we cannot do enough to right these wrongs.

Nevertheless, going back to this article, as I indicated, Allan Cox, who wrote *Inside Corporate America*, went on to say, "In fact, 28 per cent of top management and 29 per cent of middle managers say women are unlikely to be promoted as fast as their male counterparts."

Even if you do get out of the ghetto, even if you do get out of those jobs, those areas where women traditionally are being slotted in, you have many obstacles and hurdles to get by. He goes on to say: "Male executives are often disturbed by the thought of a woman filling their wingtips. Usually, the male is threatened because his identity as a male and his job are intermeshed." He goes on to say: "Most corporate cultures are patterned on male models. The preferred leadership style is still based on the paramilitary mode of the tough, competitive, rational, impersonal, strategic leader."

I think that is something that perhaps should give us pause, because there is more than one way to run a corporation; there is more than one way to run a department of a government. I think that one of the greatest things I find when I work with women is that they bring a conciliatory, co-operative and usually a consensus manner to solving job problems. I think that if we could blend together the two models—the female approach and the male approach—not only would businesses and the government be better run, but we would also see that even our health, from the point of view of the male health pattern, would improve dramatically.

1530

I really believe one of the reasons we see so many heart attacks among men is that we tend to fall into what we call the more macho way of approaching problems and tie up our egos in this male way of doing things. As a result, by the time a man gets to be 50, if he has not had one heart attack or some other disease, he is well on his way to something that is going to drag him down. I believe a lot of that comes from the way in which we approach problems in life.

In conclusion, until we recognize the role that women can play as persons in our society, until we recognize that legislation such as the legislation we have before us today is needed and is necessary, then our society is going to be the less for it.

Mr. Rae: I rise to wind up the debate for our party on this very important measure. I want to begin by congratulating my colleague the member for Ottawa Centre (Ms. Gigantes), who has

done such a magnificent job on behalf of our party, not only with respect to this particular bill but also with respect to Bill 105, which of course is the measure that deals with the public sector, which we have done our best to amend.

The issue of equal pay is one that goes back many years in this Legislature. It goes back farther than that in the experience of the working people of this province, but from my time in the Legislature, I can recall the beginnings of a resurgence of interest in this issue in the mid-1980s, given the fact that this Legislature passed, back in 1979, a private member's bill moved by Mr. Bounsall, who at the time was the member for Windsor-Sandwich and who is now a member of Windsor council.

There is a very substantial consensus in the House that there is a need to do something through the process of law to recognize the extraordinary discrimination which exists against women, particularly with regard to pay. It is one of the astounding features of life that it has taken the Liberal government this long to realize that there is this consensus in the House.

One would think that the Liberals' reluctance to move on this issue was related to their fear that there was going to be some sort of reaction from members of the Legislature who would be in opposition to the bill. Listening to the member for Sudbury, as I have done this afternoon, we are keenly aware that there is no resistance in the ranks of the Tory party to this issue. There appears to be a very substantial consensus. What is shocking really is, first, the length of time it has taken the Liberals to move; and second, the very real problems that exist with respect to Bill 154, problems that we are going to be addressing in committee and that I want to touch on.

I want to start by saying that when it comes to the basic question of equal pay, equal pay legislation is, in our view, only part of a broader strategy for equality. Equal pay legislation is an essential tool in the valuation of women's work and in the valuation of work in general—when I say "women's work," I mean the work to which women have traditionally been consigned and the valuation society has placed upon it—but it is only part of a broader strategy.

If we do not have a clear declaration and reality in public policy that children will have access to child care and that the child care will be guaranteed to be of high quality, and if we do not have affirmative action programs in place that ensure women are going to have access to jobs which up until now they have traditionally been

denied access to, then our equal pay legislation is not going to do what needs to be done.

I simply want to say on behalf of our party that we regard this step as the very least a government should be taking. I want to repeat what I started out by saying; that is it is incredible to me, as the leader of the New Democratic Party, that it has taken the government this long to decide the time is finally right for some moves.

This bill has been much trumpeted by the government and by the Attorney General (Mr. Scott), who is the minister responsible for the bill. It has been much trumpeted by the Premier (Mr. Peterson), who, on many occasions while in opposition, told everybody how strongly he felt about this measure. When one measures the bill actually before us in comparison with those statements, it is really quite striking how very modest this legislation is.

Let me very briefly stress our concerns with this bill. Our particular concerns are as follows. First, the government seems to be assuming that wages can be restrained in order to pay for equal pay.

Second, the government has introduced a bill that assures it will be at least a decade before a number of women are genuinely receiving equal pay. The length of time that is going to be required to close the gap will take us well into the years 1995, 1996 and 1997. If the Liberal Party thinks it has somehow solved the issue of equal pay with this legislation, it is sadly mistaken, because it must recognize that women—and indeed an increasingly large number of men—who are the alleged beneficiaries of this legislation are going to wonder why it is taking so long for the legislation to affect them.

Third, the problem of coverage of the legislation has been dealt with on many occasions by my colleague the member for Ottawa Centre and others. We are not satisfied with legislation that excludes large numbers of women from the legislation.

Finally, we have to find a better way to integrate this legislation with our collective bargaining laws and our collective bargaining reality. That has not been done in this legislation, and we expect it will be done after we have finished amending the process.

I want to issue one final warning to the government. A great many people out there have felt for some time that the Liberal Party has never really been serious about this measure. I think it is fair to say there are a number of footprints in the sand which indicate that is not an entirely incorrect assumption. For example, there is the

length of time it has taken the government to bring this measure forward. There were the number of task forces, reviews, committees, task forces, committees and reviews before any legislation was brought forward. We have the statement by the Attorney General at the time that we amended Bill 105 that it was either his way or the doorway with respect to that bill.

We have a government which, frankly, when it has come to dealing with the reality of a minority parliament, has not shown the kind of respect for the wishes of parliament I expected from a government that has 51 members. We have a continuing sense that this issue is not the highest priority of the government.

One of the problems of our parliamentary system is that while opposition parties can amend, governments can pull bills and control more or less the timetable of legislation. It is not open to us now to attempt to reform that process. I happen to believe it is one of the major problems of the parliamentary system, in that the executive, even in a minority parliament, has quite extraordinary powers in relationship to the number of votes it has received and in relationship to the number of members it has.

1540

I want to say to the Liberal Party today that this is an accord item; this is an area which was negotiated quite specifically and quite clearly between our two parties. It is an area that was discussed not only by our two negotiating teams but also by the Premier and myself. We do not expect or anticipate any further delay with regard to equal pay. We do not expect delay with regard to the legislation, we do not expect delay with regard to implementation and we do not expect delay with regard to amendments which we know are going to be forthcoming from this side and which we hope will be supported by other parties and by other members of the House.

Having said that, I want to indicate that our party will, of course, be supporting this legislation as it goes to committee, that we will be amending it and that we will be improving it. The challenge for all of us is to see this not as an end but as a beginning of a recognition of a fundamental reality of our lives together in the family of Ontario, that men and women are equal, that they are to be treated equally and that they are to have equal access to the good things in life.

Mr. Partington: I am pleased to join this debate on Bill 154, An Act to provide for Pay Equity in the Broader Public Sector and in the Private Sector. I would like to emphasize the

preamble contained on page 4 of the bill, which states, "Whereas it is desirable that affirmative action be taken to redress gender discrimination in the compensation of employees employed in female job classes in the broader public sector and in the private sector in Ontario...."

We can all agree with the commitment expressed by the government in the opening statement of the green paper on pay equity, namely, that the achievement of equal opportunity and social justice for all Ontarians should be fundamental and unalterable. I agree in principle with this bill, with the principle of equal pay for work of equal value, that when nongender-related factors that influence pay are taken into account, payment for work performed by women that is equivalent in value to that performed by men in the same establishment should be the same.

However, the implementation of the pay equity concept must not adversely affect the economic viability of Ontario's private and public sectors. Accordingly, it is important that this bill be referred to committee, so we may hear from the many associations, individuals, municipalities and corporations, both large and small, which can provide insight into how this legislation will affect their activities, their wellbeing and their existence and what amendments may be necessary to ensure that the act, when implemented, will not only effect pay equity but also will do so in a manner that does not damage but enhances the economic viability and vitality of the private and public sectors.

The Association of Municipalities of Ontario, in a response dated May 1986 to the government's green paper, states that it shares the government's commitment that the achievement of equal opportunity and social justice for all Ontarians should be fundamental and unalterable. AMO stressed that pay equity alone is not the answer but that government initiatives also must be coupled with employment equity which seeks to broaden the employment opportunities available to individuals who have not had such opportunities or have not been given opportunities to obtain qualification for certain types of employment.

AMO goes on in that response to make several recommendations, and I would like to refer to four or five of them. In that response, AMO recommends that, for the municipal sector, "establishment" be defined as that which covers all jobs within the municipal corporation, subject to differences in pay outcomes attributed to negotiated versus arbitrated settlements arising

from differences in collective bargaining legislation.

In paragraph 6 on page 3 of that response, AMO further recommends that there be established a threshold of a minimum number of employees applicable to the municipal work force such that, above the threshold, the pay equity model would be an integrated model consisting of an employer-initiated pay equity plan and a complaint system, while below the threshold the pay equity model would be limited to a complaint system; and that the government consult with AMO on the actual size of the threshold to be used.

AMO, in this recommendation, is emphasizing that there are many large municipalities that can well move ahead with a pay equity plan, but there are many small municipalities in the province that certainly do not have the numbers, the money or the expertise available to implement such a plan that the larger municipalities have.

In recommendation 7 on page 4, AMO recommends that under both the pay equity plan provisions and the complaint provisions, the employer not be required to commit more than one per cent of the previous year's payroll applicable to the bargaining unit or nonbargaining unit, as the case may be, for pay equity adjustments.

In paragraph 8, AMO recommends that with its existing knowledge and expertise, the employment standards branch serve as the enforcement agency. In this recommendation, AMO is setting out a belief or a recommendation that is shared by the private sector: that is, we have an existing branch, which has expertise in all areas of labour and it is that branch that should be used instead of setting up a new commission, as the bill does, which is unrelated to general labour experience and in fact would constitute the formation of a new bureaucracy.

It is important that AMO be heard in committee, so that its concerns and recommendations may be weighed and taken into account in dealing with and in making amendments to Bill 154.

The private sector recognizes and supports the principle that equitable treatment of individuals is an issue vital to society. The Ontario Manufacturers' Association has stated that equitable access to employment, promotional opportunities and nongender-related compensation are essential in ensuring maximum effectiveness of available human resources. The private sector, however, has strong reservations about the effect

that the implementation of the bill will have on small and large business and industry, on our economy and on our ability to compete in foreign markets.

Stan Hiseler, vice-president and general manager of John Deere Welland Works in Welland, Ontario, in a letter dated November 5, 1986, to the Attorney General and minister responsible for women's issues, states:

"Should you choose to continue on the pay equity legislation path, I would urge you to utilize a complaint-based model rather than the employer-initiated or integrated approach. Not only is the complaint-based concept well founded in our common law notions of fairness—that is, that a person is innocent until proved guilty—but it would avoid the tremendously expensive burden that small companies will be exposed to and will avoid the unnecessary addition of a large bureaucracy to administer and monitor such a proactive approach."

Mr. Hiseler has pointed out the need in his case in favouring the complaint-based approach and is concerned about the tremendous expense that companies may be put to to hire lawyers, consultants and other experts in order to put together a plan which may not be necessary in the instance.

1550

The Board of Trade of Metropolitan Toronto, which opposes this legislation—at least, it appears to in the brief—also cautions us about the potential cost and destruction of the current economic system. It starts by referring to statistics on page 9 of its brief; and that brief was a submission on equal pay for work of equal value, dated October 1985, as I indicated, by the Board of Trade of Metropolitan Toronto.

In that brief, the board, for example, indicates that women's income in 1981-82 increased 3.8 per cent more than men's. For the period 1978-82, women's wages increased 1.31 times more than men's. It then goes on to talk about education where, between 1972 and 1982, the percentage of full-time women undergraduates increased by nine per cent and full-time graduates increased by 12.5 per cent. It further says that the percentage of women receiving first degrees rose from 37.5 per cent in 1972 to 51.9 per cent in 1982, in masters' degrees from 23.7 per cent to 40.4 per cent and in doctorates from 9.3 per cent to 25.6 per cent. The board is indicating in this brief the tremendous advances in women's involvement in our society over those years.

It further indicates that between 1971 and 1981 in the work force women's participation increased substantially, in some cases dramatically: in managerial-administrative, 16.2 per cent to 26 per cent; in social sciences, 39 per cent to 53.5 per cent; in artistic-literary, 28.9 per cent to 40.8 per cent; and in sales, 32 per cent to 43 per cent.

The board of trade goes on to state that all of this means that the wage gap problem is diminishing in the absence of equal value legislation. This can be attributed to two causes. First, any discrimination that did exist in the market is being eradicated by normal human rights and employment standards legislation, as well as changing attitudes. Second, women's attitudes are changing; their priorities are resulting in different career objectives.

Before I finish with the brief of the Board of Trade of Metropolitan Toronto, I might say that Judith Andrew, the director of the Canadian Federation of Independent Business, in an address delivered to the Corpus Information Services conference in March 1986 stated that Statistics Canada data on proprietorships show that 30 per cent were owned and operated by women in 1981, an increase from 11 per cent in the mid-1960s. This impressive growth continues. Recently, women have been starting businesses at three times the rate of men. Further, in 1985, 40 per cent of women identified in 20,000 personal interviews were holding managerial-supervisory positions. The board of trade and Mrs. Andrew suggest that the improvement of women in the work place is taking place by natural market causes.

I might indicate, in conclusion, that the brief of the board of trade makes two references. I will mention these two only to indicate the board of trade's concern. It says the US Commission of Civil Rights has stated, "We recommend that the federal civil rights enforcement agencies, including the Equal Employment Opportunity Commission, reject comparable work," which is the American equivalent of equal pay for work of equal value, "and rely instead on the principle of equal pay for equal work"; which is similar to the present law in Ontario, which is equal pay for substantially equal work.

In summation, they indicate: "Equal value is questionable in principle. It presumes that the wage gap is caused by discrimination. This is simply incorrect. It assumes that jobs have inherent value. This is incorrect. It assumes that objective job evaluations are possible. This is simply not true. Equal value would involve the

expansion of public bureaucracy at the expense of our pocketbooks and our personal liberty.”

That is what the Board of Trade of Metropolitan Toronto has concluded. I am sure when the bill is referred to committee they will be able to come forward and, from the private sector's point of view, share some of the many concerns that are held by people in the private sector.

We have heard from the small business community, the Canadian Federation of Independent Business, which indicates that small businesses, firms with under 50 employees, provide one third of private sector workers and are most affected by the burden of government regulations. The federation reminds us that the number of firms to be exempted from the regulations—I will pass on that.

The current legislation provides that the act does not apply to businesses or industry with fewer than 10 employees. Of course, the act goes on to provide that all employers in the broader public sector and those employers in the private sector who employ at least 100 employees will be required to develop and implement pay equity plans. Employers with more than nine and fewer than 100 employees may prepare and implement pay equity plans but are not required to do so.

There are those who think the levels are too high and there are those who think there should be no exemptions from this legislation. It is clear to me that the provisions of the act dealing with the various thresholds must be examined to determine whether the elimination of that limit of fewer than nine employees is reasonable or whether the level of nine employees or fewer being exempt from the act should be increased. For example, should it be 15, 20, 50 or even 100?

In regard to firms with fewer than 100 employees which are exempt from filing a pay equity plan, but otherwise complaint-based, should that number be raised and by how much? In regard to those required to file a plan under the act, now set at 100 or more, should that level be raised; and if so by how much?

We need the committee hearings and input from the private sector to arrive at accurate, reasonable thresholds, so that we may create a reasonable balance to ensure that with pay equity we will continue to maintain, as I indicated earlier, a viable, thriving private and public sector economy. Furthermore, input is required into the categories of exemptions under section 7 of the act.

Finally, the committee must hear representations concerning the suggestions from AMO and most business organizations that the pay equity

branch be administered under the Employment Standards Act. We do not need the creation of a new bureaucracy. We do not want a government tribunal without expertise in other areas of employment. I quote from a news release of the Canadian Organization of Small Business with respect to equal pay for work of equal value. The press release states:

“The proposed pay equity legislation, in its item 5, will not be fairly applied by a special government tribunal without expertise in any other areas of employment law or good personnel management. Unlike the employment standards branch of the Ministry of Labour, which must referee and arbitrate provincial employment standards laws with due regard for the respective rights and responsibilities of employers and employees, a special pay equity enforcement agency would operate without reference to other provincial employment laws or the political, social and economic checks and balances that they reflect. Such an agency would not take long to acquire the reputation for tunnel vision and systematic anti-employer bias which are already far too obvious in the Ontario Human Rights Commission and the Labour Relations Board.”

1600

That is a statement of the Canadian Organization of Small Business. It is a concern it has and is a reason it would like to see the pay equity legislation, when implemented, under the employment standards legislation and not under a special commission.

Mr. McClellan: What group was that?

Mr. Partington: The Canadian Organization of Small Business.

Before I conclude my comments, I would like to share with the members the views of two of the small business advisory groups that have spent a good deal of time examining the pay equity issue, namely, the Canadian Federation of Independent Business and the Canadian Organization of Small Business. Led by individuals such as Judith Andrew and Geoffrey Hale, these organizations have made it clear that our small business sector is being overwhelmed by, in Ms. Andrew's words, “incredible mountains of red tape, regulations and paper burden which plague business, especially small business, on all fronts.” Pay equity legislation is seen as increasing this already excessive burden.

One member of the Canadian Federation of Independent Business had the following comments to make about the imposition of pay equity legislation. I would like to quote from a letter attached to the previous brief I referred to of

Judith Andrew. This gentleman is talking about comparable worth.

"I am almost two years past retirement age. My brother, who is my partner, is seven years past. This is our doing because we enjoy our work, meeting the public that come into our store, and we have no complaint except that during my 40 years behind the counter and my brother's 52 years, we have seen a great many changes. Business has become quite complex.

"We have store clerks, plumbers and electricians in our business, and over the years you would never find any two people in these departments that are worth the same money, even though they might be doing the same work. One you might have to spend some time explaining what he or she has to do and the other just goes ahead and does it without hesitation; both the same job. One might take an hour and the other two hours; both the same job. Most of these previous examples are men, but the same holds true for women."

He goes on to say: "What I am trying to get at is the fact that many people doing even the same job are not comparable. Personality, adeptness with hands, thinking power, appearance, outlook on life, willingness to learn are all intangibles that enter into the lifeblood of any business, big or small, regardless. Wages are not a cure. Most often they are a curse because when a good worker sees a slacker being paid the same amount, it usually adversely affects the work of the better worker. The one who says we are all equal is just whistling in the dark. We never have been and never will be. Brains, ability, circumstances, opportunities and imagination play too much a part in our makeup to make this possible."

In the concluding paragraph, this gentleman states: "We should try to pay people for equal value, but it is not something that can be legislated. There are too many pitfalls from outside pressures that will make the whole exercise a farce. We still have to leave it in the domain of supply and demand, which unfortunately is not perfect but is still the only way we can carry on business in a reasonable way. As always, the clarity of our members' comments remind all of us working on public policy that even the most attractive ideas, no matter how good in theory, do not always work in practice."

This letter is from what would appear to be a reasonably elderly gentleman who has worked most of his life. He agrees with the principle of treating people equally but is very concerned that the economic system that works so well be

maintained. Again, I submit that as a concern that many people in the business community have. They agree with the principle of equality and nondiscrimination but they want the legislation to be implemented in a way that achieves this and also achieves economic viability for their businesses as well as the economy.

Large industry and commerce generally have in place new, rather sophisticated job evaluation systems which have attempted to place true worth on various jobs and, in doing so, have eliminated sex discrimination in their work force. I am told that, regardless of the system in place, there will always be gaps; the rate for a particular job will not attract workers for that job and a vacancy will develop. Whether that vacancy is for skilled surveyors or tool and die makers or some other occupation or profession, the fact is that market forces always play a part in determining wages.

Except for the temporary skills shortage category contained in subsection 7(8) of Bill 154, it appears that the act has written market forces out of consideration. Clearly, market forces must continue to be recognized in any viable economy. Those appear to be the sentiments of the business community. Many of the large industries that have systems already in place which tend to judge jobs on merit and responsibility in job description and have virtually eliminated sex discrimination will acknowledge that, as perfect as they can be, the gaps will occur. There will be vacancies that require special treatment. Market forces will always play a part in determining wages.

Before concluding, I will reiterate the views of Geoffrey Hale with respect to certain principles of employment as he sees them in representing the voice of a great many businesses in our society. Although the leader of the third party might disagree, at least he should be prepared to listen to them inasmuch as many of them may be some of his constituents.

The fact is that employment laws should be simple, understandable and easy to administer. They should promote and facilitate voluntary compliance by both employers and employees rather than requiring an army of government inspectors and consultants to enforce the law. They should be fair and be seen to be fair by both large and small employers, unionized and nonunionized employees. This implies checks and balances in which both employers and employees have more or less equal rights and responsibilities under the law. They should

reconcile social objectives with the realities of an open and competitive economy.

I am sure that when the bill is referred to committee, in addition to advancing the many valid reasons equal pay for work of equal value is a principle that is supported by all of us and must be advanced, the business community will have an opportunity to make its presentations so that the bill, when it is introduced, will be in a form which will enable business and industry to continue to ensure that Ontario continues in a strong, healthy economic position, not only internally but as it deals with external markets.

In any event, these are benchmarks against which this legislation will be judged and as legislators we must ensure that our pay equity legislation meets the standards of fair play, as Mr. Hale has outlined.

Having said all this, I want to make it clear I believe we can, we will and indeed we must implement a pay equity plan that will achieve equal opportunity and social justice for all Ontarians, fundamental, unalterable, and at the same time enhancing the economic viability of Ontario's private and broader public sector and maintaining the principles clearly enunciated by Mr. Hale.

Ms. Gigantes: I have a comment. After listening to the contribution of the previous speaker, I realize that we have come a long way, because while the attitudes may not have changed, the rhetoric has changed. It is now possible to say, "I am in favour of equal pay for work of equal value but—" That is what we just heard. I am hoping that the work we carry through in committee will not only address the concerns of Geoffrey Hale, his friends and associates, but also the women of this province.

1610

Mr. McLean: I would like to comment briefly on the last speaker's comments. I enjoyed them very much. He made some excellent points in his address.

One of the points he made that intrigued me is that when we are dealing with Bill 154, the pay equity bill, it is not only a male-and-female issue, to my way of thinking, it is also pay equality in the sector, regardless of what one's sex is. Whether you are a taxi driver or a dispatcher, it would determine who is worth the same amount of money.

I want to compliment him on some of his comments when he was relating to those aspects of the bill, and say I enjoyed them thoroughly.

Mr. Speaker: Are there any other comments or questions? If not, does the member for Brock

(Mr. Partington) have any response to those brief comments by the two members?

Mr. Partington: No.

Mr. Speaker: Any further debate? If there are no other members wishing to participate in the debate, the parliamentary assistant may wish to wind up.

Mr. Ward: I want to keep my comments mercifully brief in order to avoid the member for Bellwoods (Mr. McClellan) accusing the government of foot dragging on this legislation.

I want to thank all the members who have participated in this debate and perhaps respond briefly to one of the two points that have been made. First, with regard to some of the comments of the member for St. George (Ms. Fish), the member for Sudbury and the member for Ottawa Centre, I think all of us would agree that this legislation by itself will not result in true economic equality for the women of this province; yet it is indeed a significant step forward. Obviously, the government will have to proceed with employment equity programs and better training for women. Day care is certainly an issue that relates to the ability of women to share equally in the prosperity of this province.

With regard to the member for Brock and his comments supporting the principle of pay equity but having some concerns about the implementation, it is an argument and a notion that I find quite distressing from time to time to hear. Sometimes members of the third party say the workers of this province are absolved from responsibility in this matter and they must not pay to rectify this terrible wrong that has been done over the course of time. However, to hear the member for Brock say that municipalities should not have to carry the burden of achieving pay equity or the member for Cambridge (Mr. Barlow), my neighbour and colleague suggest that perhaps the private sector should not carry this burden alone, when one looks at the issue of pay equity and the inequality that exists in this province and the gender discrimination that has accumulated over the years, I for one do not believe any one group or any one part of our society can be absolved from the blame.

Certainly, the government has its share of blame; municipalities have their share of blame; and the bargaining agents for the workers have their share of blame over the course of history. Frankly, I believe all of them should share in rectifying this problem. The legislation we have ensures that there is some fiscal responsibility assigned to all sectors of our society.

I believe today is an important step along the road to true economic equality for the women of this province. Today we take one step closer towards achieving that dream. I want to thank all the members who participated in the debate. I am sure we are going to have some difficult discussions in committee; yet I sense there is an underlying spirit of goodwill in this Legislature and that there is truly nonpartisanship or all-party support for achieving the best possible legislation to achieve our goal.

Motion agreed to.

La motion est adoptée.

Bill ordered for standing committee on administration of justice.

Le projet de loi est déposé au Comité permanent de l'administration de la justice.

ROYAL ASSENT

Mr. Speaker: Before I call for further orders of the day, I beg to inform the House that in the name of Her Majesty the Queen, the Honourable the Lieutenant Governor has been pleased to assent to certain bills in his chambers.

Clerk of the House: The following are the titles of the bills to which His Honour has assented:

Bill 161, An Act to amend the Courts of Justice Act, 1984;

Bill 163, An Act to repeal the Inflation Restraint Act, 1982 and the Public Sector Prices and Compensation Review Act, 1983;

Bill 164, An Act to repeal the Farm Loans Act and the Farm Loans Adjustment Act;

Bill 165, An Act to amend the Child and Family Services Act, 1984 and certain other Acts in relation to Adoption Disclosure;

Bill 186, An Act to amend the Election Finances Act, 1986.

SURVEYORS ACT

Hon. Mr. Kerrio moved second reading of Bill 127, An Act to revise the Surveyors Act.

Hon. Mr. Kerrio: Today I am pleased to begin discussions of a bill that will continue the updating and improving process for Ontario's Surveyors Act. When I say discussion, I hope it is going to be very brief because we have circulated the bill and I am sure most members on the other side are supportive, with the moving of one amendment which I am prepared to accept.

There have been a number of revisions to this act since it was passed in 1892. These reflect specialization and technological advances in the

surveying field and have helped create and maintain a strong professional surveying community in Ontario. The revisions to the act that we are considering today incorporate four different but related specialized surveying principles under one statute. The four principles are cadastral surveying, which deals with boundary locations; photogrammetry or obtaining information about land features through aerial photography; hydrography, the surveying of underwater features for navigation; and geodesy, the science of determining the size and shape of the earth and the interrelationships of points on its surface.

The revisions divide the members of the Association of Ontario Land Surveyors into two groups. Those wishing to practise cadastral surveying will require a licence and those qualified in the other three disciplines will be entitled to certificates of registration. The bill also establishes a number of committees designed to protect the public interest in professional land surveying. The end result is an act that ensures that surveyors in Ontario operate under the highest professional standards possible.

Mr. Bernier: I would like to say a few words in response to the minister's statement regarding Bill 127. First, I am going to be very complimentary and compliment the minister for bringing this bill forward. It has been a long time coming, I think he will agree. Nevertheless, it is here and we will be supporting it with the introduction of one minor amendment. I will be advising my fellow caucus members to vote in favour as it will certainly, as he has already pointed out, improve and benefit the industry as a whole.

Our former Premier, William Davis, often said that Ontario had the benefit of the most conscientious, most responsible and most professional civil service in this country. I am sure the honourable minister will agree with that statement. The Ontario Progressive Conservative Party has always been proud of that fact. In fact, we built the best civil service in this country. I am sure the present Premier (Mr. Peterson) will agree that our party deserves the credit for providing him with the calibre of staff that he and his ministers enjoy in their present portfolios.

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While we are talking about experience, tried and true, I would like to extend my compliments to the staff involved in drafting, editing and researching Bill 127 for a job well done. More specifically, there are two very competent staff members who certainly deserve a lot of credit for the co-operation, experience and dedication they displayed over the years, since 1979 in fact,

regarding this proposed legislation. That effort has resulted in this bill now entering second reading in the House today. I refer to Bob Code, formerly the director of surveys in the mapping branch and later the surveyor general. I also refer to Barney Panting, now the surveyor general for the Ministry of Natural Resources.

We can assure the minister that these two capable professionals have already set an example to the industry itself and to other ministries throughout the country for their unselfish, dedicated service to the huge mandate of the lands and waters group. Their helpfulness and co-operation with members of the surveyors' industry, the various lobby groups and with other civil servants, are certainly an example that we could all follow in the times to come.

I could remind the minister that it was our party, the Progressive Conservative Party, that first started work on this bill. I know he is aware of that. I could also remind the minister that my associate the member for Cochrane South (Mr. Pope) was the minister responsible for co-ordinating the input over eight regions that formed the base for this proposed legislation. I could also remind the minister that it was our party that met with the grass roots of the communities to seek their advice regarding this proposed legislation.

I could remind him too that it was our party that met with members of the industry in order to seek their advice on the best ways to facilitate a harmonious program of implementation for the amendments now before the House, but I will not, because the minister is aware of all those points I have made and I know he is grateful to us for that, is he not?

Hon. Mr. Kerrio: I am going to respond.

Mr. Bernier: I will, however, inform the minister that all our members are fully aware of the advantages of Bill 127. I will also inform the minister that we will not hold up the bill on its speedy passage through this House. We will, though, agree to the House sending this bill to committee of the whole House in order that one additional amending clause can be added to section 25. We will agree with a motion to add an additional clause to subsection 25(1) dealing with the discipline committee.

As it stands now, clause (a) of the bill deals with the persons appointed to the discipline committee by the council from among the members of the council elected to the council. Clause (b) deals with a member of the council appointed to the council by the Lieutenant Governor in Council. We agree with the associa-

tion that a clause, clause (c), should be added to stipulate that persons appointed to the committee by the council should not have less than 10 years' experience in the practice of professional land surveying. This proposed subsection will not only guarantee members a hearing before a group of their peers, but will also serve to bring the association into line with other professional associations in Ontario.

Mr. Laughren: Why not 20 years? Why not 40 years?

Mr. Bernier: I would remind the member for Nickel Belt (Mr. Laughren) that if he looks at the Professional Engineers Act, he will see a similar section. We are following that. We are always trying to improve legislation from this side of the House. I am sure the member for Nickel Belt will agree with that.

Mr. Laughren: Do not forget, we are on the same side.

Mr. Bernier: We do not ever want to move to that corner of the building, I can tell the member that.

Interjections.

Mr. Bernier: These guys are interrupting me. I think we should recess for 15 minutes.

Mr. Speaker: I am wondering if some of that had to do with this bill.

Mr. Bernier: Keep them quiet, Mr. Speaker.

Additionally, this clause will overcome the current problem of forming a quorum because of reoccurring conflict of interest which has limited the members of the council from sitting in the past. I might add that this proposed subsection has the complete support of the 700 members of the surveyors' fraternity. It was a representative of the association who approached our party in order to ensure that this additional amendment would be included in the bill.

I conclude, and I reiterate, that our party wants to ensure the speedy passage of this bill through the House, with the inclusion of this additional clause. I commend the minister for bringing this bill to the House in such a timely manner. Since my colleague the member for Rainy River (Mr. Pierce) has just arrived, I will not delay or prolong my discussions. He has an issue to bring forward of interest to the constituents of my riding, and I hope the minister will have an answer for him. I conclude my remarks by thanking the minister for bringing this bill forward. It is timely.

Mr. Laughren: I rise on behalf of my caucus in support of this bill.

Mr. Speaker: Are you continuing the debate, or do you have comments or questions?

Mr. Laughren: I am sorry, no.

Mr. Speaker: Any comments or questions? If not, further debate, the member for Nickel Belt.

Mr. Laughren: In the debate, I will comment on the remarks by the member for Kenora (Mr. Bernier). I have no hesitation in rising in support of this bill, having seen it for about five years, always being tempted; it is as though there were seven veils in front of it. They kept peeling another veil and saying: "We will deal with it this session. No, we will not. We will wait until next session to get at it." That is why I found it passing strange that the member for Kenora would stand up and try to make this a partisan bill by taking so much credit for it when it was he and his colleagues who did not bring it forward.

There were lots of opportunities to bring the bill forward, but he never did. The member can take all the credit he likes that this bill was because of the efforts of his caucus. It was also because of the lack of efforts by his caucus that the bill never got to this stage before now. Thank goodness for the accord. If this bill had not been in the accord, it still would not be before the Legislature. It was not in the original accord, but the accord was amended to include the Surveyors Act.

We have no hesitation in supporting the bill, because we believe it recognizes that the whole profession and science of surveying has changed. We are now recognizing the four legs of surveying: the cadastral surveying, the photogrammetry, the geodesy and the hydrography. It is important that we do that.

I agree with a couple of things the member for Kenora said. One was about the amount of consultation that went on. I think it was appropriate. I believe the surveying profession had a great deal to do with the bill being as good as it is. Also, the staff of the Ministry of Natural Resources did yeomen's service in making sure the bill complied with the kind of legislation we are trying to standardize for the professions in Ontario. They did a good job on that.

I was only half teasing the member for Kenora when I remarked that his amendment, which would make sure that members of the discipline committee had 10 years' service, was a very conservative amendment and I am not surprised he would support it. I realize that other professions have this proviso, but I have never been very enthusiastic about it. It seems to me, if you have someone who has been around six to nine years and has a professional interest, there is no

reason why that person, if chosen by his or her peers, could not be on the discipline committee as well.

I do not think it is the kind of issue this caucus will divide the chamber over and cause a prolonged debate or even cause the writs to be issued. I sometimes question this sense that people have to be in a profession for 10 years before they can sit on any committee, whether it is the discipline committee or the complaints committee, which forwards the complaints to the discipline committee.

I commend the minister for doing something the previous government somehow did not find the time to do, and that is to bring this bill forward for second-reading debate and, I hope, third-reading debate and royal assent.

1630

Mr. Bernier: I want to respond to the member for Nickel Belt (Mr. Laughren) and compliment him on his astuteness in recognizing the fact that it was the previous administration that did all the consulting work, did all the grass-roots work and contacted various groups throughout the province of Ontario. Believe me, dealing with surveys in a new technological age is a very sensitive issue. I am pleased that he recognized the contribution my colleague the member for Cochrane South (Mr. Pope) made and that the previous government made towards this bill.

Mr. Speaker: Are there any other comments or questions? Any response by the member for Nickel Belt?

Mr. Laughren: Since you have provoked me, Mr. Speaker, I think the member for Kenora is being a bit precious. He should simply stand up and graciously commend the Minister of Natural Resources (Mr. Kerrio) for bringing forth a bill that is hardly, by any stretch of the imagination, a partisan bill. For the member for Kenora to try to gain some cheap political points by taking all the credit for this is not worthy of him. We deserve the credit.

Mr. Sterling: I, too, want to indicate that when we are dealing with a profession such as the surveyors, at every point in history or every so often in history we have to go back to the structure of that organization, look at it again and try to make it more responsive, not only to technical changes, as this act does in recognizing different divisions of surveying and in limiting in some way what surveyors may or may not do, but also say to the public what the profession can do. This act also develops the rules with regard to the

governing of the profession—that is, the surveyors.

I have, in the way of comment, a question for the minister and I would ask him to respond in his remarks when he is summing up. I would like to know from the minister what will happen when his government is deciding the composition of the governing authority. In this case, there are three lay members and, I believe, six members from the surveyors. That is the overall body. There are three people who are appointed by the Lieutenant Governor in Council. In other words, the cabinet is going to appoint three of nine.

Then on the discipline committee, which is under section 25 of the bill, the composition of the committee is two members who would be appointed by council, presumably members of the profession, plus one member who is appointed by the Lieutenant Governor or the cabinet. Therefore, they maintain the same structure as the main body: two to one, two in favour of the profession to one appointed from the outside. So there are one lay person and two professional people on the discipline committee.

I wonder whether that is a general policy of the government to maintain that ratio, or whether there is any policy on that particular matter. There is some thought, of course, that in discipline matters in dealing with a profession—and I am talking about all professions; professional engineers, architects, lawyers, etc.—there should be perhaps a majority of lay people rather than a majority of people within the profession.

There are some people who espouse that. I am not in favour of that myself, but I would ask the minister to comment on the general, overall government policy in terms of the ratio of lay people to people within the profession that they are disciplining.

Mr. Pierce: I also rise to talk on the amendments in the bill in respect to surveyors, on how they reflect on individuals who have been given surveys that are not valid or are not recognized by lawyers or the land titles office, and on how the individuals recover their losses by being required to have a second survey done.

Subsection 33(5) of the bill states:

“The council in its absolute discretion may make grants from the compensation fund in order to relieve or mitigate loss sustained by any person in consequence of dishonesty or incompetence in the practice of professional land surveying on the part of any member notwithstanding that after the commission of the act of dishonesty or incompetence the member may have died or ceased to administer his or her affairs or to be a member.”

What happens when a surveyor files a survey report that is not competent and then his licence is revoked by the commission? Who carries the responsibility then of making sure the individual is recompensed? I will read into the record a letter I just received from a constituent.

He writes, “Thank you for a reply regarding my request for compensation by the Ontario Land Surveyors Association.” My remark to him was the only way he could get his money back was to file a lawsuit.

The letter continues: “The general incompetence of the surveyor who did my land was attested to by professional colleagues, and the head of the Ontario land surveyors told me that his licence would have been revoked if he had not agreed to retire. Because the legal fraternity in my community would not accept his work any more, I was forced to have an additional expense of \$450 for another survey.” His comment of course is, “The rich get richer.”

The letter continues: “On examination of Bill 127 (thanks for the copy), I feel that page 38, subsection 33, item number 5 clearly indicates that I am entitled to compensation. The head of the Ontario land surveyors intimated the same feeling. I realize that the bill does not have royal assent, but it appears that such details are quickly forthcoming. I would appreciate if you could contact the OLS on my behalf and see what actions they may be prepared to take. If I have to go to court over this, I would not hesitate to implicate the OLS for providing the escape route to the surveyor involved.”

I ask that the minister address the problem of individuals who are subjected to those kinds of surveys and then are required to have them done again at an added expense.

Mr. Speaker: Are there any comments or questions? Is there any further debate? If there is no further debate, the minister may like to make some windup comments.

Hon. Mr. Kerrio: I will do it in order of the presentations. The first comment I suppose I should respond to relates to the sort of credit given to the civil service that was supposedly developed by the former government. I would like to comment on that comment even though it is unrelated to the bill. The fact of the matter is, when we formed a government, we did accept a civil service that had the credibility described by the member.

The only place I differ with him is that the civil service came to us fully prepared to serve the new government in the best interests of the people of Ontario and that, in a sense, the former

government cannot take credit for that kind of loyalty to the people of Ontario rather than a loyalty to any particular party.

1640

The thing that really did happen, and I think it was described for my friend the member for Nickel Belt, was that while the crew of this whole business was alive and well, it was the former government that was at the controls, at the wheel, if you would, and that let the people of the province down. When there were those who described a steady hand at the wheel of that former government, someone described it to me as not being a steady hand at the wheel, but rather, rigor mortis that had set in, and while the crew was alive and active, there were no signals from the bridge. I have to say that is the impression many people have about the former government.

Having said that, in accepting that the civil service in this province is among the best there is, the one thing this new government has taken into account is that we are not going to put a cap on it. We are going to allow movement through that civil service so that the best, even among that good group, are going to be able to come through and make their contribution in a very meaningful way to the next 40 years of good government in Ontario by our leader the Premier (Mr. Peterson) and the Liberal government.

To address myself to the bill—which I had come fully prepared to do, but I was sidetracked by the comments made by the member—it is a whole new world we live in in the sense of surveying. When we can think in terms of some of the information for the new surveying that is coming from satellites, from the perspective that, with new telescopes on the satellites, we can identify things as big as a newspaper in downtown Toronto and be able to use that information to the degree we can now, it is time we brought forward the whole process of dealing with the people in these disciplines.

I suppose, in responding to the member for Nickel Belt, I would accept that this undertaking he is supporting is supplementary to the accord. I will give him full marks for that position.

When it comes down to some of the comments that were made about the program that deals with the numbers of people in the two areas in the bill, as far as government policy is concerned, I do not think we can dictate that all disciplines are going to have the same kinds of numbers. That would vary in some disciplines because of the various impacts on the numbers that would be involved in different disciplines.

First of all, in response to the question about an amendment; I was going to move an amendment in the same area because of the fact there was input from the industry that made that request. I hope the critic for the third party, the member for Nickel Belt, will support the amendment, because it is not one that I dreamed up.

Interjections.

Hon. Mr. Kerrio: It would be nice in this forum, when everybody—even the leader of the official opposition—is talking about co-operation and how this government could go on for five years because he likes the way things are moving, if there was a consensus on any given bill to indicate to the public out there that this could be the case.

It really did come from the surveyors and the people who represent them. It was not one I initiated on my own, nor did the member. If we can go to committee, we can deal with a couple of questions. The composite committee was one the member was concerned about. I am going to get some direction from my people as to where we are going with that one. The question came from the member for Carleton-Grenville (Mr. Sterling). I would like to take a minute, if I may, so I can get precisely the answer to that question.

Mr. Bernier: The minister did not do his homework.

Hon. Mr. Kerrio: No, I trust that civil service I inherited. Why should I do the homework?

Mr. Sterling: On a point of order, Mr. Speaker: Perhaps when we move to committee of the whole House, the minister can answer those questions.

Mr. Speaker: It makes abundant good sense.

Motion agreed to.

Bill ordered for committee of the whole House.

Hon. Mr. Kerrio: I have one question. May I bring my people forward here and move down?

Mr. Speaker: The honourable member may ask that question of the Chairman when he gets into committee of the whole House.

House in committee of the whole.

SURVEYORS ACT

Consideration of Bill 127, An Act to revise the Surveyors Act.

Mr. Chairman: We have in front of us An Act to revise the Surveyors Act. Are there any questions, comments or amendments? If so, to what sections?

Mr. Bernier: I have an amendment to section 25.

Mr. Chairman: Are there any other sections anyone wishes to question, comment on or amend?

Mr. Pierce: On subsection 33(5), I would like a response from the minister for clarification purposes and direction.

Mr. Laughren: On a point of order, Mr. Chairman: Why are the troops moving in front of the minister?

Mr. Chairman: Because the minister wishes their assistance.

An hon. member: Did the House approve it?

Mr. Chairman: It is not necessary that the House approve it. It is in the standing orders that up to three people are permissible and the minister may move.

Mr. Laughren: There are only two there.

Hon. Mr. Kerrio: One for each discipline. Do you want four?

If I may respond to a question raised by the member for Rainy River (Mr. Pierce), when he talks about specifics—

Mr. Chairman: May we carry this in order?

Hon. Mr. Kerrio: Yes.

Mr. Chairman: Did the member for Carleton-Grenville have any particular section that he wished to discuss?

Mr. Sterling: The particular section I was referring to was the same one Mr. Bernier has an amendment to, section 25.

Mr. Chairman: I assume we are dealing with section 25 and subsection 33(5) only.

Sections 1 to 24, inclusive, agreed to.

On section 25:

Mr. Bernier: If I may preface my comments, I want to comment on the people sitting in front of the minister. I feel very comfortable knowing Barney Panting is there. He is one of the experts I talk about so freely, and I have a great respect for him. Having him in front of the minister makes me very comfortable indeed. I am sure all the surveyors in Ontario are very comfortable knowing the minister has him in front of him as we move through this bill.

Does the chairman have a copy of my amendment?

Mr. Chairman: Yes.

Mr. Bernier moves that subsection 25(1) of the bill be amended by striking out "and" at the end of clause (a) and adding "and" at the end of clause (b), and by adding thereto the following clause:

"(c) the persons appointed to the committee by the council from among the members of the association who have not less than 10 years' experience in the practice of professional land surveying."

Mr. Bernier: As I said in my opening remarks, this was an amendment that was brought forward to us by the industry. They were most concerned that those people with at least 10 years' experience be part of the disciplinary committee. I think it follows the practice of other professional organizations, such as the professional engineers, who have a similar clause in their bill. It makes good sense to us and I hope to all members of the House.

Mr. Laughren: We certainly support this amendment, even though it is a very conservative amendment from a very conservative member from Kenora.

Mr. Chairman: Thank you. Is there any further discussion on this?

Hon. Mr. Kerrio: In fact, the reason I have suggested that I am very much in favour of accepting the amendment is that I was going to move precisely the same amendment because of the request from the profession. I want to let the member for Kenora have his day.

Motion agreed to.

Section 25, as amended, agreed to.

Sections 26 to 32, inclusive, agreed to.

On section 33:

Mr. Chairman: I believe the member for Rainy River had a question on subsection 33(5).

Mr. Pierce: Mr. Chairman, my question has been asked of the minister in respect to compensation for people who have received a bad survey or have become subject to a bad survey by purchasing land at a later date, surveys that are unacceptable to the Law Society of Upper Canada and are not acceptable to the land titles registry and in fact require a second survey.

I realize that the Ontario land surveyors, through their professional approach, very seldom have these kinds of complaints, but when they do come out, they are of great substance and require additional moneys to be spent by unsuspecting purchasers of property. Therefore, they should in some form be recompensed by the association, or there should be some guarantee of service by the operating surveyor or at least some recognition by the association that there is an obligation to make sure the work that is performed is of a substantial nature.

Hon. Mr. Kerrio: I understand that application can be made under that section if there is reason to believe that the survey is not one that would be accepted by land transfer involvement. Under that, the disciplinary group would make a decision to make grants under this clause.

Mr. Pierce: I would ask the minister, then, to go one step further than that. If a satisfactory response is not received by the disciplines board in respect to recompensation, what other alternatives does an individual have?

Hon. Mr. Kerrio: The way the bill is written, that is it. They make their application to the council, and the council can make the decision. Beyond that, there is no appeal.

Mr. Pierce: Then my further question to the minister is, does he feel there should be something in the bill that covers people who would be subject to unprofessional-type surveys or surveys that are not accepted by the law firms or by the land titles registry? What protection does the consumer have in respect to the bill?

Hon. Mr. Kerrio: That is the purpose of the section. If they feel they have not been treated properly, they have recourse through this section to appeal for a grant for their circumstance. That is precisely the point in that section.

Mr. Pierce: But if the council rules against, where does the complainant go? What obligation is there on the part of the association to come good for a bad survey or unprofessional activity?

Hon. Mr. Kerrio: It has been pointed up that in section 6 there is an addition:

"In addition to his or her other powers and duties under the act, the minister may,

"(a) review the activities of the council;

"(b) request the council to undertake the activities that, in the opinion of the minister, are necessary and advisable to carry out the intent of this act."

I suppose in a sense, beyond the conditions that are here, to take care of the very thing the member is concerned about, there would be recourse in this section to the minister.

Mr. Sterling: I am sure it would also be available to the complainant to sue in court the surveyor who had undertaken the survey and to seek compensation from him as well. I do not think that should be lost sight of.

This is probably more of an insurance fund that has been put in place by the surveyors across Ontario to insure a person who has had some loss because of a bad survey.

Hon. Mr. Kerrio: That is right.

Mr. Sterling: If the surveyor has gone bankrupt or left the jurisdiction, a person can seek some other avenue of compensation, so it is a double kind of remedy he gets under this act.

Mr. Pierce: It is always an alternative that you can go to the courts and sue. That becomes a very costly endeavour and it guarantees nothing, particularly in the case of this individual surveyor who went bankrupt and then retired from the profession with little or no resources and no obligation to the previous surveys. The courts of law are always an alternative to everybody, but the cost of getting there really does not justify the need.

Hon. Mr. Kerrio: To reiterate—and it was a good point brought forward about the third option, which I thought most people would understand is always the case; it generally is the case—the compensation that is built into the bill for consideration is one that is very important to those people who have had the experience the member has had. For that very reason, it has been put into the bill, but in addition to that, they could go back to section 6 if there was no satisfaction and go through the process of going through the minister and dealing with the council.

Section 33 agreed to.

Sections 34 to 49, inclusive, agreed to.

Bill, as amended, ordered to be reported.

On motion by Hon. Mr. Kerrio, the committee of the whole House reported one bill with a certain amendment.

1700

NURSING HOMES AMENDMENT ACT

Hon. Mr. Elston moved second reading of Bill 176, An Act to amend the Nursing Homes Act.

Hon. Mr. Elston: This material in front of the Legislature has been awaited for some time, and I am looking at this as a major initiative in assisting us to ensure that the quality of care in our nursing homes is enhanced. These particular amendments will do a number of things that I wish at this point to enumerate, although I will not go into any particulars at length since there has already been a statement with the introduction of the bill.

It might also be noted that a companion piece to Bill 176 is Bill 177, which is required to provide some accompanying amendments to the Health Facilities Special Orders Act. We will be dealing with that piece of legislation as well.

The Nursing Homes Amendment Act will promote the security and independence of all nursing home residents. The fundamental rights

of nursing home residents will be enshrined in law in a statement of rights posted in each of the homes so that everyone will understand that the statement is to be included in any agreements between the home operators and the residents there.

We have a provision in the amendments which establishes residents' councils in a more formal manner to deal with complaints in those homes, and if they can be assisted, upon the advice of the residents' council, they can be assisted by an advisory committee in each of the homes.

In addition to that, the minister can, with the advice of the residents' council, appoint an adviser to assist it in carrying out its work, whether that be reviewing financial data, dealing with questions of operation of the homes or dealing with complaints that may be coming from some of the residents or the residents' representatives in the facility.

As a result of that, we have established a forum in which residents will review complaints in their own homes, obtain information if there are questions about the manner in which the nursing homes are operated, and if they wish during their discussions, be able to make recommendations to the minister with respect to the operation of homes.

This is an important advent of activity and it highlights the ability of residents in our homes to assist in making sure their facilities are run well and that they are representative of the style of accommodation which the seniors and their representatives would want to have.

We have made a provision as well where the residents' councils or their representatives can make representations to the Nursing Homes Review Board if such were required. In other words, we have given them a formal standing where that was not given before.

We have put in a provision whereby we can contract with the individual nursing home to see that additional services are provided; for example, to hire staff who may be required to provide additional services or to undertake specialty programs, for instance, to look after Alzheimer's patients or to do a number of other things that could ultimately enhance the ability of a nursing home to care for the residents under its charge.

We have also introduced a procedure whereby anyone who believes a resident has been harmed, either through neglect or incompetent care, is required to report to the director of the nursing homes branch, so that we can act with dispatch on any of the complaints that may be received. That onus now to report such an event will

provide us with timely intervention in situations where a person may come into a situation of harm.

We also have a provision within the amendments that will require owners to forward all written complaints to the director of the nursing homes branch, so that we as well will be aware at the earliest opportunity of any complaints received in the home, so that we may assist in some ways with dealing with the complaint or ultimately determine that it is looked after and that the problem that developed, the reason for writing, is taken care of in a timely fashion.

We have a provision in the act whereby any resident who is unable to appear in court about a complaint may give evidence at the home. I think this provision for taking commissioned evidence will prove to be a very good procedure whereby we can make sure the evidence required is made available and the residents are not disadvantaged by having to be moved if that becomes an onerous responsibility. It will ensure that evidence that is required can be received for any prosecution that is instigated.

We have increased our ability to regulate licence transfers, management contracts and shareholder ownership. I think the consensus of probably all in this House will be that this provision has been too long in being brought forward. It is certainly within our mandate to determine any changes that could affect the care that is provided in the nursing homes of this province, particularly if share transfers result in a change to a company or an ownership that has not had a very good track record in providing service and care to our seniors.

Nursing home owners will be required to provide annual statements of profit and loss for each home. We are looking now at ways of making that posting of statements in a manner that will be understandable and useful in being read and analysed by the residents or their representatives in each home. First of all, it is my position that merely knowing profit and loss and having a statement available is not enough.

We must ensure that it can be understood and that careful analysis will determine exactly in what manner the money being spent from the taxpayers of this province is being earmarked for certain programs and services that will enhance the stay of our residents in the nursing homes in this province.

Primarily, the amendments themselves are designed to indicate very clearly and beyond a shadow of a doubt that the nursing homes of this province are to be viewed first and foremost as

the residence of the people who are there. For my purposes, we will be better served if the understanding is that these people are residents within a system that is obviously taxpayer-supported, but are residents in a home atmosphere. We want to ensure that the total package of amendments is carried, so that we can ensure the quality of life in these homes can be improved.

I am pleased to rise today and move second reading of this bill, so that we can proceed to committee stage and have an examination of the provisions of the Nursing Homes Amendment Act and its companion piece, Bill 177. It seems to me that we ought to do that with some dispatch so that we can continue to move to expanding our improvements within the nursing homes sector of Ontario.

I think all of us wish we could make sure the interests of the individual residents in these homes are protected and improved upon at the earliest possible time, and such being the case, I ask all members of the House to rise and support the amendments here on second reading so we may discuss these matters in detail in committee.

1710

Mr. Andrewes: The minister is perhaps a bit optimistic to think all members will rise and speak in support, but I for one will, and I will speak on behalf of my party. We will be supporting Bill 176 and Bill 177 on second reading. I will make some comments relative to Bill 176, but the minister will know those comments will also be in reference to Bill 177, if in fact that bill should come before the House for debate in my absence.

The Deputy Speaker: So long as your comments relate to Bill 176.

Mr. Andrewes: Absolutely. In introducing the bill today, the minister talked about a style of accommodation. On one occasion, he spoke of the residents of nursing homes being able to feel the home was actually their residence. I share his desire to create that atmosphere, but at the same time I think it is important that he, the officials of the Ministry of Health and indeed the members of this House reinforce with the nursing home industry the importance of the fact that it is very much in the business of delivering health care as well as providing a roof over the heads of the clients. I think that is forgotten sometimes in terms of the desires of this House and the desires of family members who find themselves in a position where one of their family members needs the services and care of a nursing home.

During the nearly six years I have been in this House, I have listened carefully to the debate on nursing homes, a debate that has really followed, in many cases, an ideological trend about the merits of public ownership versus private or for-profit ownership of a health care facility. That debate has spawned a select committee of the Legislature which is now approaching its own agenda, a select committee on health and social services. After yesterday's discussion in that committee, perhaps that committee should be renamed the select committee on social services and health.

That select committee is now charged with the responsibility to pass judgement on a very basic question. Whether it is a nursing home or boarding home or, in the case of social services, whether the service is delivered for day care by a private, for-profit operator or a nonprofit operator, the question remains the same: Are the level and quality of care and service in a health facility affected by the cost and the profit motive? What we are attempting to do in that committee is build some criteria against which we can make some judgements and recommendations for this Legislature.

Perhaps that might challenge the doctrinaire philosophy of some in the Legislature, but, indeed, I sense that there is an earnest desire amongst the members of the select committee on health to reach some resolution of their task.

The bill itself, Bill 176, An Act to amend the Nursing Homes Act, contains at the outset a statement of principles which I expect is the minister's response to the great cry for a residents' bill of rights. There have been concerns expressed to us about the enforceability of the principles and, I think legitimately, those complaints are heard, because in the compendium to the legislation, the minister suggests that the principles set out in the statement of principles are not intended to be used as a basis for enforcement. This leaves groups who are concerned about the rights of patients in nursing homes and the ability of patients to exercise those rights wondering what is meant in the statement of principles.

There is no provision for enforcement. There is no provision in the bill for advocacy or the role of an advocate. Perhaps as we move into committee we will hear more on this issue, not only from other members and from interest groups but also from Father Sean O'Sullivan as he moves along in his task of studying this whole issue of advocacy.

Subsection 3(5) expands the minister's ability to grant or deny a licence, depending on the concentration of ownership and depending on the balance that is looked at between profit- and nonprofit-care sectors. We have received few signals from the government about where it stands on this issue. We do not know what the government policy is in terms of balance. We do not know, nor can we assess, the measure of balance between public and private ownership. We do not know, from the government's position so far, what it feels is the maximum level of ownership concentration.

Before we move to clause-by-clause study of this bill, we should have some clear signal from the government as to what it means when it says that licences will be issued and the judgement made on the issuance of those licences based on criteria such as a balance between public and private ownership and a maximum level of ownership concentration.

The act allows for the establishment of a residents' council. I believe in most nursing homes in the province today there exists a residents' council. It allows for the establishment of a residents' council advisory committee and sets out the makeup of that committee and it permits the minister to appoint—I assume at the request of the residents' council advisory committee—a residents' council adviser.

It is not clear in the bill and it was not clear from the briefings we had on this legislation what the criteria and qualifications were for the residents' council adviser. We are told the minister has in mind appointing someone who lives in the community where the nursing home is located, someone with ability to assess financial statements and financial information and offer this financial information to the residents' council advisory committee for its consideration and to support claims it might make relative to the levels of care and the lack of program or the need for additional program within a nursing home. We need some clarification from the minister on the issue of the qualifications and the quality of a residents' council adviser.

1720

The minister, in asking that the residents' council adviser have some qualifications to assess financial criteria and to provide advice relative to financial statements, is also suggesting to us rather clearly that he is asking the residents' council advisory committee to be a watchdog in terms of the operation of an individual nursing home. He is asking it to monitor the operation of that home and, when it

is unable to get what it needs or wants, to seek the substantial analysis of financial information to try to convince the minister to intervene in the operation of that home. Surely, and I said this when we spoke briefly at the introduction of this legislation, that is an abdication of the minister's responsibility. It needs to be further clarified and I would seek that information before we move to the clause-by-clause study.

The bill also requires the posting of financial statements and statements of profit or loss. This answers the concern of the member for Windsor-Riverside (Mr. D. S. Cooke), who raised this issue as a private member's bill. I am not sure how useful this information is going to be. We have had many complaints, as I am sure other members have had, from nursing home operators who claim this is an invasion of their privacy and a breach of their rights to privacy, but I think we want to be very careful when we are requiring private business operations to reveal all their financial information. We want to be very careful that the information is useful and that it can serve a purpose.

I personally would have no objection to that information being made available to the residents' council advisory committee, but I really wonder at the merits of making the information a public document.

Mr. D. S. Cooke: Even though it is public money.

Mr. Andrewes: Half of it, my friend.

The bill regulates the issuance of new licensing; in other words, you cannot sell a nursing home without the minister's consent or approval, and that approval is based on a criterion of public interest which is set out in some detail in section 4 and goes on through several other sections of the bill.

I have to issue a note of caution here, because the financing of the sales and the financing of the change of ownership of a nursing home will be contingent on the minister's approval and issuance of that licence, and since that financing could be jeopardized by the minister's actions, I think he should proceed rather cautiously when he exercises this power. By the same token, the minister must understand to what extent the ministry will be held liable if the licence is issued or if the licence is denied.

I would fail in my job in addressing this bill on second reading if I did not make some mention of what is not in the bill, with your indulgence, Mr. Speaker. I see you looking askance, but I assure you it is our intent to make sure that what is not in

the bill is in the bill when we finally deal with the bill so that it is relevant to the bill.

What is not in the bill is this. There is no mention in the bill of any attempt to address the glaring funding disparity between nursing homes and homes for the aged. It is an inequity that has existed for some time, and I acknowledge that, and it can only be resolved, with due respect to the member for London North (Mr. Van Horne) and his work in looking at all the situations relative to elderly people in the province, by the introduction of one extended care act that would regulate the operation of both nursing homes and homes for the aged.

Right now, those two types of institutions have one thing in common; that is, to enter either of them a patient must require an hour and a half of nursing care a day. That is a common criterion. It is my belief and it is the belief of our party that this criterion needs to be addressed in legislation, and the inequity that obviously exist between those two types of institutions and the operations of those institutions by two different ministries needs to be dealt with without any further delay.

I want to put the minister on notice. Whether it is the member for London North as Minister without Portfolio responsible for senior citizens' affairs or the Minister of Health (Mr. Elston), I want to put them on notice that we would move quickly to pass such a bill if it were brought forward. The government will fail the residents of these institutions if it continues to drag its feet.

There is another matter with respect to what is not in the bill but should be in the bill. The bill does not address the inflexible funding method currently in place relative to nursing homes. Nursing homes are compensated on a per diem basis. There is a copayment from the resident and the government to the operator of the nursing home based on the number of days a person stays in the facility.

It is an inflexible funding method because it does not address the spectrum of care that is needed in each individual home. It has that common criterion of one and a half hours per day of nursing care, but there is no analysis of the needs of residents and no analysis of the condition of residents.

There is no analysis of the mix of light and heavy care within a particular nursing home and the lack of that analysis puts a reverse incentive on the operator of a nursing home to minimize the numbers of heavy care patients because, after all, they are the expensive patients. That can only be addressed when one takes away the inflexible method of funding these institutions.

Between now and when the bill is studied, I urge the minister to put his mind to that issue and put the great resources of the Ministry of Health and other ministries to work to resolve that issue. I am told Manitoba does have a system of classification of residents of nursing homes and the homes are funded accordingly.

I look forward to the comments of other members in this debate as we continue down this somewhat constructive road. Having said that, I take my seat and prepare myself for a lecture from the doctinaire.

Mr. Speaker: Are there any comments or questions on what is in or out of the bill?

1730

Hon. Mr. Elston: Although I am not doctinaire, I wish to highlight for the individuals that I have concerns about some of the statements made by my colleague. Although a supporter of the particular amendments on second reading, I do wish to put him on notice that I have some comments that may be more relevant if made in our discussions in committee with respect to some of his inclinations about certain foot-dragging and otherwise-perceived activity or lack thereof by this government.

However, under the circumstances, I wish to express my sense of elation that, obviously, there is finally policy evolving from the official opposition with regard to some of the seniors' matters, and I am pleased he has enunciated his support for these positive steps forward under the circumstances.

Mr. Speaker: Are there any other comments or questions? If not, does the member for Lincoln have any response? No? Debate?

Mr. D. S. Cooke: We too will be supporting both bills on second reading and referring them out to committee for extensive and long public hearings of about four weeks. Hopefully, we will be able to see some form of these bills passed and in law before we go to the people some time in the spring.

Mr. Epp: Is that an announcement?

Mr. Warner: No, we saw yours. We read your note.

Mr. D. S. Cooke: No, it is just my guesstimate.

We should understand that these were the short-term amendments that the government was going to prepare quickly when it assumed office back in June 1985. It is now 19 months, nearly two years, and the short-term amendments are finally before the Legislature. I hardly think that this has been an immediate response to a problem

that has existed in the nursing homes of this province. Especially, it can hardly be considered an adequate or speedy reply to the Elm Tree decision that took place some time ago in the courts of this province.

We are now told that at some point we are going to get a brand-new extended care act. The time line that the Minister without Portfolio responsible for senior citizens' affairs gave when we were doing his estimates was perhaps two years. I can only think that if it took 19 months to bring in short-term amendments, it is probably going to take closer to 19 years to bring in the long-term reforms we have been promised by this government.

The Monday before Christmas I went to visit an individual by the name of Doris St. Pierre, a woman I have known for a long time in my riding and community. In fact, she was involved with Lyn Williams, a well-known union leader, in organizing a department store in our community, Smith's department store, back in the 1950s. This woman had a long history of trade-union leadership in our community.

When she retired, she became a leader of senior-citizen tenants in the community, specifically public-housing senior-citizen tenants, and continued to do a lot of good for our community. She then ran into some bad health, a heart attack, a stroke, and a few months ago she fell in her apartment and broke her hip. The only response that is available to our community is that Mrs. St. Pierre was admitted to Beacon Hill Lodge nursing home.

I might point out that Beacon Hill Lodge nursing home has a horrendous record in our community. There were several charges laid against that nursing home. The charges were not heard by the courts because the judge made a determination a few months ago that it had taken so long for the Ministry of Health to have those charges brought before the court that they were no longer relevant and they were quashed.

The minister has never reported back to the Legislature. I hope he will listen because I hope at some point he will report back to the Legislature on what the Ministry of Health's response has been to those charges. He indicated that he would report back whether there was going to be an appeal, but there has never been a report back to the Legislature, even though the matter was raised here.

When I visited with this woman, I found it is safe to say that her health has failed even further since she has been put into this nursing home. This woman was a very independent individual

all her life. The fact that she now has to go into a nursing home is nothing short of a crime that we as a society have committed against that individual.

She had a broken hip and she needs physiotherapy, which she does not get in this nursing home, because there is no physiotherapy. There is not enough staff for her even to be taken for a walk in the hallway, because she needs to be helped if she is going to walk with a walker. The staff tells me there is not enough staff to do that with Mrs. St. Pierre or anyone else in that nursing home who requires that kind of assistance.

Instead, she sits in her wheelchair or a chair, or is in bed. While she still could be rehabilitated so she would be able to walk, her legs continue to deteriorate and her hip continues to deteriorate, simply because there is not enough staff in that nursing home. I think it is fair to say her emotions and her mental health are declining because she does not like the restriction of being in a nursing home.

I think there are two crimes being committed. One is that the nursing home is not adequately staffed. She is not receiving the care she is entitled to under the Nursing Homes Act or under any criteria of sensitive treatment of that individual. The other crime committed against her is that she is in the nursing home in the first place. If we had proper home support programs built right into the senior citizens' apartment building in which she lived in the community for years, she would be able to do quite well on her own in her apartment. Instead, there are none of those alternatives. There are not adequate alternatives for her, and she has been forced to go into a nursing home.

There are many other people like Mrs. St. Pierre in our province and in my community. If we were really going to talk about reform of either the nursing home system or care of the elderly in general, we would be talking about something more substantial than the amendments before us today. We cannot say we are talking about reforming the nursing home system if we are not dealing with the staffing levels. There is absolutely nothing in this nursing home bill to address the staffing levels whatsoever.

One cannot forget what happened less than a year and a half ago at the Extendicare London Nursing Home where 19 people died of—I believe the infection was called E-coli. It was the largest outbreak of that disease in North American history. The response from this government and from this ministry was to send down some inspectors who confirmed serious violations of

the Nursing Homes Act. A coroner's inquest was established, and that was it.

I suggest, as I have said to the minister before, that if 19 children died in a children's mental health centre or a group home for children in this province, there would be hell to pay. This Legislature and the public would not allow the government to have such a minimal response as came from this government with the 19 deaths in London. I do not think anyone can come to any other conclusion than that the response to the 19 deaths in London, the way we treat people like Mrs. St. Pierre, is simply typical of our attitude towards the elderly in this province.

Unfortunately—and it is not an attitude that I or my caucus shares—I think it is quite clear the attitude is that when you are old, it does not matter because you are going to die. Therefore, we will put you in a private sector nursing home, and whatever happens does not really matter, because it might just shorten the time you are there. You are going to die eventually anyway, so it does not matter how society treats you.

I say that with a great deal of regret, but I can come to no other conclusion than that this is the attitude the system demonstrates to all who want to examine it closely. I do not think it need be that way. I would like to see a Minister of Health and a government that, instead of looking at expanding the number of nursing home beds as the government is now doing, had the vision to look at shrinking the number of nursing home beds in this province and putting the proper home support programs in place so there was an actual decrease in the demand for nursing home beds.

1740

If people say that cannot be done, I simply tell them they are listening too much to the bureaucrats in the Ministry of Health or to the doctors in the system or to the hospitals in the system or to the people who are absolutely committed to the same old system of health care we have had in this province for years, which emphasizes doctors and emphasizes institutions.

That is the kind of health care system we have, one that emphasizes treatment of illness, does not look at prevention and does not pay nearly enough attention to the dignity and independence of senior citizens, which could be maintained if we had a humane system of care in this province. It would be more economical and, as I said, it would be more humane.

Instead, we have allocated in the past few weeks 600 nursing home beds. We are going to be allocating 400 more nursing home beds at a total cost of, I believe, \$17.5 million a year,

which is almost as much money as is being spent on the total new program for the frail elderly in the 16 communities where the pilot projects have been set up.

Do not tell me this government is committed in any way, shape or form to community-based services for senior citizens. They pay lipservice to it but they have not shown any real commitment and they have not put out the real bucks that are required in the communities if we are going to offer real alternatives to people, rather than simply saying to them, "If you need care, you have to go into an institution."

When this matter was discussed in committee when we were reviewing the Ministry of Health estimates recently, I specifically asked the Minister of Health how many nursing home beds were going to be allocated. This was back just a couple of weeks ago. The Minister of Health refused to answer that question.

What we should have done is refuse to pass his estimates until he gave us the information; however, we did not do that. The Minister of Health refused to indicate how many new nursing home beds were going to be allocated across this province. The reality is he knew, but because there are more and more people in this province who are supportive of community alternatives rather than institutions, it was a quiet move.

There are announcements being made in each community, but there was never once a statement in this Legislature that would have indicated that there has been a major shift in policy by this Minister of Health in the past few weeks. That major shift is that the freeze has been taken off the allocation of nursing home beds and there is a major expansion of the for-profit health care system in the nursing home sector that has been instituted by the current Minister of Health and the current government. That statement has never been made in the Legislature.

Last week the minister said in answer to a question I asked that there will be nursing home beds allocated to the nonprofit sector. The reality is that currently in Ontario 96 per cent of the nursing home beds are in the for-profit sector. Out of the 1,000 beds that are going to be allocated, I dare say the vast majority of those will also go to the private sector.

While the minister says he is going to accept applications from the nonprofit sector, there has been no effort whatsoever to go out to the community and talk to nonprofit groups and explain to them, encourage them and help them to look for sources of capital and to be able to

have a realistic opportunity to get into the market.

The reality is that even in some cases where the nonprofit sector has got involved, the management of the nursing homes beds have been contracted out to such groups as Extendicare, so we really have no change. We have Extendicare managing, just as it would manage in the private sector, and we do not have a commitment. For all the language the minister wants to use, we do not have a commitment at all for this minister to change radically—

Hon. Mr. Elston: What are you saying? Are you questioning the not-for-profit people? Are you saying these people made a bad decision because they do not agree with you?

Mr. D. S. Cooke: What is the minister talking about when he says they do not agree with me?

Hon. Mr. Elston: Are you saying these not-for-profit people made a bad decision because they do not agree with you?

Mr. D. S. Cooke: I am suggesting that if the minister wants nonprofit nursing homes, he should be out in the community encouraging nonprofit groups and he should not be looking at hospitals to be one of the sectors to be providing nonprofit nursing home beds.

I cannot remember the sister's name who started Bethammi Nursing Home in Thunder Bay, but I talked to her in Sault Ste. Marie a couple of years ago. She said, and I agree with her totally, that in most cases hospitals are not the appropriate institutions to be running nursing homes, because the philosophy of care is that of an institution and there will be that kind of a bias and there is not going to be a change in attitude and a change in philosophy in dealing with nursing home residents. The minister knows that. He has heard that from other people in the community as well.

The reality of the situation is—I say this with a great deal of regret—the only significant reform in the health care system that has occurred since this minister has been minister was Bill 94, and that was a result of the accord. Basic, fundamental changes in the delivery of health care away from institutions and away from doctors into a system of community care is not something the minister is willing to take on. He is not willing to take on the establishment of the health care system. He took on the doctors once and then Bill 94 passed and ever since then he has never taken on the doctors again.

So far, \$7,000 has been paid out. Not one doctor has been charged to date for violating the extra billing legislation. I think the message that

is coming clearly from this Minister of Health, whether it is community-based services for senior citizens; whether it is the hospice that has been proposed by June Callwood and others for victims of AIDS here in Toronto; whether it is the birthing-centre community, which got treated in a totally unrespectable way by the minister's staff yesterday when they met and were told there is no way the minister is looking at that alternative form of care as well unless it is affiliated or directly controlled by a hospital—that is the kind of approach those guys are taking—is that there is no basic change in philosophy in the health care system.

I really thought when this minister became minister that there would be a change in philosophy and that there would be some fundamental changes, but if there were going to be any, he has totally backed off. He has bought the lines of his deputy and Randy Reid and others who work in his ministry who are totally committed to the old Tory system of delivering health care. It is unfortunate, because one of these days a crisis is going develop. At \$10 billion a year in health care, we cannot afford the system we have now. We have to start looking at the alternatives, both because they are more humane and because they are more cost-efficient.

There are some positive aspects of this bill which we enunciated the day the bill was introduced. Financial disclosure is something this caucus has been supporting for years and I am very pleased there is at least the acceptance of the principle of financial disclosure. I hope the minister will recognize, after dealing with other health legislation over the last year and a half, that we, at least this caucus, are not prepared to put everything in the regulations. We want to see more in the financial disclosure section to make sure there is real financial disclosure.

I gather there are already 100 nursing homes in this province that have management companies. The way the amendment is proposed, management companies will be allowed to get around financial disclosure totally. There is going to have to be an amendment to provide for real financial disclosure. I am convinced that the minister believes in financial disclosure, and if he believes in financial disclosure, then he and his caucus will be prepared to support our amendment that will simply expand it and cover management companies as well.

I have already talked to some nursing homes and my understanding is that they understand very clearly that this amendment will not affect

management companies and that this will be an easy way for them to get around financial disclosure. I think it is fair to say that if we pass the amendment the way it is now, a year from now every nursing home will be covered by a management company.

On the controls on ownership, the principles that are being enunciated are good; however, I think the most important aspect of any controls on ownership, obviously, is whether or not the minister has the will to exercise the control that it is proposed be given to him.

1750

I point out to the minister, there have been many examples over the years of what happens when a nursing home is sold. The member for Kent-Elgin (Mr. McGuigan) was very much involved in the Barnwell nursing home situation, and he understands very clearly the effects on residents and the effects on communities when somebody can come in and purchase a nursing home and move the residents without any regard to the effect on the community or the effect on the residents.

It seems to me the minister's amendments in this area fall short in a couple of areas. One is that I want to make sure the public and the communities, the residents and the staff and the relatives of the residents have an opportunity to participate when a sale of a licence is taking place.

I want to make sure that when a licence is being renewed on an annual basis there is a public hearing process where annual inspection reports and incident reports and inspections that take place, ongoing in the year, are brought out publicly, discussed publicly and individuals have an opportunity to make presentations and complain or praise the quality of nursing homes in this province. We have to have the opportunity for the public to be involved, and we will be proposing those amendments when it comes time to do that in the committee.

Two examples have come up in the last few months. Caressant Care, a nursing home chain in this province, has taken over a nursing home in St. Thomas. There were two nursing homes. They owned one and bought the other one and have now moved the residents out of Rest Haven into their main nursing home. That sale was approved by this ministry and the only criterion, according to the minister in estimates, was that the two nursing homes were in the same community so it did not matter. There was no consultation with the residents, no consultation

with the relatives of the residents, and no consultation with the staff.

The fact of the matter is, there is a great difference. Caressant Care in St. Thomas has virtually all part-time staff. The staff at Rest Haven will not be transferred with the residents. The residents are going to have to adapt to a new physical setting and totally new staff, which is extremely difficult for elderly people who are frail and are experiencing some health problems.

It seems to me that before the minister made a decision to approve that sale—and as I understand it, he has not even informed, or had not informed the community, as of a couple of weeks ago, that the sale had been approved—it was incumbent on him to spell out the total criteria. The criteria are not only whether the nursing home exists in the community, but also the effects on residents, what the residents feel, what the relatives of the residents feel about the transfer and also what the staff feels. It seems to me that a public hearing process would offer that opportunity. Since the minister is not proposing that amendment, I hope the government members on the committee and the Conservative members will consider the amendments we will be putting forward in this area.

You would be well aware of the other nursing home, Mr. Speaker. The sale of the Tavistock nursing home, which was also bought by Caressant Care, has not been approved. I encourage the minister to use his power in that case and to make a decision soon, if he has not already, that the sale will not be approved.

Hon. Mr. Elston: The move. The move has not been approved.

Mr. D. S. Cooke: I am sorry; the move. I encourage the minister not to approve that move of the residents.

I think there are enough studies that indicate the forced moving of residents from one nursing home to another has a dramatic effect on their health and there are studies that indicate that up to 30 per cent of the residents can suffer death as a result of forced moving. I understand the studies are not all clear-cut, but I think it is clear and safe to say that forced moving of residents does have an adverse effect on their health.

There are cases of people who become disoriented because of a move into a different physical setting, and I think if we are to accept the philosophy the minister likes to talk about, that nursing homes are supposed to be homes for the residents, then surely the bottom line is that they should have a right to have input and

discussion on the decision of whether residents are going to be forced to move.

I have already indicated we will be moving amendments to provide for annual public hearings on the annual relicensing of nursing homes. I hope there will be acceptance of that amendment. We would also like to see public hearings when it comes to transferring of licences, which would allow the public, relatives and staff to be involved in a crucial decision which affects the lives of the residents.

The other criterion that has to be very much considered when we are looking at the transfer of licences is the concentration of ownership. So far, the statistics on concentration of ownership we have had filed with the select committee are quite interesting. Extendicare now owns 15.7 per cent of the nursing home beds in this province. Versa-Care is second and Diversicare is third. Then comes Beacon Hill Lodge and then there is a series of others that includes Leisure World, some numbered companies, Caressant Care and Central Park Lodge. The top 10 nursing home chains in this province control 44 per cent of the nursing home beds in Ontario.

I think it is safe to say, as one saw some of the sales taking place over the past few months, that concentration of ownership is increasing, not decreasing. We do not have a regional breakdown for the entire province, but at this point the top six chains control 71 per cent of the nursing home beds in Metropolitan Toronto.

If one looks at some of the other regional chains, in the top 10 they give the situation for the whole province, but in some regions, even in my own community, there is a smaller regional chain. It is small in comparison with Extendicare, but in our own area it is very large. It was called Docherty Family Management. They have now sold out to a company based in Owen Sound. The reality is that in Windsor we have Chateau Park Nursing Home and Beacon Hill Lodge. The rest of the nursing homes are all owned by Docherty Family Management. In that county, the concentration of ownership is substantially with one company. That means there is less accountability and less competition. I think the minister generally accepts that a substantial concentration of one owner in one region is adverse.

That criterion was not considered at all, for example, in the St. Thomas takeover, because now 100 per cent of the beds in St. Thomas are owned by Caressant Care. It used to be there were at least two owners, but because the minister approved the takeover, now all the beds are owned by one chain. It seems to me the minister should look at that criterion and weigh whether it is in the best interests of the community that one nursing home is controlling all the nursing home beds. I hope that criterion will be a serious criterion when the minister is looking at allocating these 1,000 beds he is going to allocate, 600 of which have already been allocated, across the province.

I want to finish up that one topic by saying the system we now have in Ontario clearly is a system whereby when a licence is purchased or a nursing home is purchased, the owners are not really purchasing the home because, in many cases, they move the residents out. What they are really doing is purchasing the cash flow or the residents. That is what it boils down to when nursing homes are in the private sector. The minister disagreed with me when we discussed this in committee, but the member for Kent-Elgin understood the issue very clearly when he made the same statements in the House when we were discussing the Barnwell situation a few years ago.

One does not buy a nursing home in this province; one buys a licence, which represents residents, and the residents represent cash flow. What does a bed go for now, or a nursing home resident? I understand the going rate in this province is now \$33,000 to \$35,000 a bed.

As long as one looks at that being the type of system we have in the province, it is difficult to comprehend how we can talk about the dignity of senior citizens when it all boils down to a system of profit, a system of ownership, and it boils down to not the nursing homes of this province but the nursing home industry. That is what it is always referred to. It is not a system of care; it is an industry where you have companies like Crownx that not only own nursing homes but also invest in oil and gas.

On motion by Mr. D. S. Cooke, the debate was adjourned.

The House adjourned at 6 p.m.

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No. 98

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Legislative Assembly of Ontario

Second Session, 33rd Parliament
Wednesday, February 4, 1987

Speaker: Honourable H. A. Edighoffer
Clerk of the House: C. L. DesRosiers



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LEGISLATIVE ASSEMBLY OF ONTARIO

Wednesday, February 4, 1987

The House met at 1:30 p.m.

Prayers.

SUPPLEMENTARY ESTIMATES

Hon. Mr. Nixon: I have a message from the Honourable the Lieutenant Governor signed by his own hand.

Mr. Speaker: The Lieutenant Governor transmits supplementary estimates of certain additional sums required for the services of the province for the year ending March 31, 1987, and recommends them to the Legislative Assembly; signed by Lincoln Alexander.

COMMISSIONERS OF ESTATE BILLS

Mr. Speaker: I beg to inform the House that the Clerk has received a favourable report from the commissioners of estate bills with respect to Bill Pr20, An Act respecting the Town of Lindsay.

Accordingly, pursuant to standing order 78(e), the bill stands referred to the standing committee on regulations and private bills.

MEMBERS' STATEMENTS

DOGSLED RACES

Mr. Pollock: I would like to invite all members of the House to attend the dogsled races in Marmora this weekend. There will be a banquet on Friday evening, and at 10:30 Saturday morning, Teddy Coe, the Snow Princess, will officially start the long-distance race. This race is 150 miles long, the longest in Ontario. It could be classified as Ontario's own Iditarod.

The 60-mile race will begin immediately following the start of the long-distance races. Promoters of this event estimate that there will be 700 dogs there. That means there will be more barking in Marmora this weekend than there is here at Queen's Park through the week.

There will be other attractions, such as pancake breakfasts, snow golf and various short dogsled races. There are usually mushers there from Ontario, Quebec and many states in the United States. This is a family event, and everyone is most welcome to attend.

NORTHERN DEVELOPMENT

Mr. Morin-Strom: Last week the United Steelworkers of America of Sault Ste. Marie released the results of their independent study of the Algoma Steel Corp.

The central findings of the study are that the economic future of Algoma Steel cannot be secured by contract concessions by the union; that the present program of action announced by the company in April 1986 does not represent a viable solution to the company's problems, and that a winning recovery plan must involve the participation not only of Algoma and the steelworkers but also of Algoma's corporate parent, CP Ltd.; its principal banker, the Royal Bank of Canada, and also the federal and provincial governments.

I would like to endorse strongly the union's approach. It has proposed a progressive, positive course of action to address the future of Algoma Steel and the future of Sault Ste. Marie and area. The Ontario government has been asked to be a key participant in the talks to come. I ask the Premier (Mr. Peterson) to commit to participate fully and to take action to ensure the participation of the other parties with stakes in the future of Algoma.

The steelworkers' report also recommends immediate action that can be pursued by the provincial government in the area of facilitating manufacturing industries that consume steel to locate in Sault Ste. Marie. This would help to develop new markets for Algoma's output without being a direct financial subsidy to Algoma Steel.

We have recommended secondary industries for the north before. The urgency is apparent. The time to act is now.

RIDING OF CORNWALL

Mr. Guindon: As the member for Cornwall, I wish to take this opportunity to remind this government that my riding, at least to my knowledge, is still part of Ontario and that its people, hardworking and law-abiding citizens, pay their fair share of taxes, like everyone else in this province.

However, it appears to me that our riding is not benefiting as much as other areas from the

overwhelming prosperity that has taken place in Ontario in recent years. Historically, we have been neglected in many ways.

In French we have a saying that goes like this: "Loin des yeux, loin du coeur." It seems that since we are located so far from Toronto, we have missed out on many opportunities to upgrade ourselves and allow us to partake in this great movement of prosperity.

In the city of Cornwall, we have an industrial park that needs expansion. Land must be serviced. If we are to attract new industries, it is a shame that we have to go on our knees to get assistance that would allow our people to help themselves to reduce unemployment and to stabilize our economy, which is still very fragile. We have an unemployment rate of more than 14 per cent. Although our economy is diversified, the loss of one single plant employing a mere 40 people would spell disaster. We need help now for our industrial park, so that we can attract new business and also accommodate those that are already there and wish to expand.

Cornwall is part of Ontario, just like Toronto, Oshawa and Kingston. I wish this government would recognize that.

PENSION FUNDS

Mr. Mackenzie: We have in our galleries today, or will have over the next few minutes, better than 110 retired pensioners from the Hamilton area, most of whom have given yeoman's service as officers of their local unions over the years before their retirement. These people have not remained inactive in the social issues that affect workers today. They have a petition from the Hamilton area alone that I want to send across to the Premier (Mr. Peterson) and the Treasurer (Mr. Nixon) containing 2,702 names, which reads as follows:

"Workers gave up wage increases in order to buy pension benefits. The costs of these benefits are calculated in the dollars-per-hour negotiated wage package. Therefore, 100 per cent of these pension funds and accrued interest should belong to the workers who negotiated these benefits. Any surpluses should be used to index the pensions of these workers 100 per cent against inflation for past, present and future pensions, to reduce vesting periods or increase levels of pensions.

"Therefore, we demand that this Ontario provincial government pass legislation now to prevent companies from using workers' pension funds for their own purposes, such as skimming

of funds or reducing their obligation payment levels."

I think what these workers are saying—I say this to the government of Ontario—is: "No more delays. Let us see action now to deal with the skimming of funds and the indexing of pensions for the workers of Ontario."

[Interruption]

Mr. Speaker: Order. I would like to remind all our guests, our visitors in the galleries, that we are glad you are here, but the standing orders say there must be no demonstration from any gallery.

1340

VOLUNTEER FIREFIGHTERS

Mr. McLean: A serious problem was brought to the House on January 14 by the member for Sarnia (Mr. Brandt), and I have discussed this problem with firefighters in Orillia township. It concerns the plans of the Ontario fire marshal not to offer summer courses for volunteer firemen.

This is a problem that members from the urban areas may not fully comprehend, as they have full-time, paid firefighters. We from the rural ridings are used to having totally or almost totally volunteer firefighting staff. These people are hard to find and must be highly trained when they are found. As volunteers, they often use their hard-earned summer vacations to take courses at the Ontario Fire College. Those are taken on their own time and away from their families.

Therefore, as a result of the question raised on this side of the House, I hope the Treasurer (Mr. Nixon) has made plans to provide the necessary funds in his next budget to allow the courses for the volunteer firefighters to be held this summer at the Ontario Fire College.

Mr. Wildman: Along the same lines, I would like to point out that it is my understanding that there is a proposal before Management Board of Cabinet for an increase in the staffing of the Ontario fire marshal's office—approximately 19 additional staff—and additional funding, so it can make up for the woeful record of the past and the failure of the government to provide the kind of training that is required by volunteer firemen in this province, particularly in the unorganized communities in northern Ontario, so they can protect themselves and the general public when they are faced with emergency situations and have to enter burning buildings to try to protect property and people.

It is most unfortunate that we were not given that information by the minister yesterday when the matter was raised in the House. It is most unfortunate that the minister seems to take the

view that because there was a little more training last year than the previous year, everything is fine. In fact, there has been only about one tenth the number of hours' training required, according to the fire marshal's own figures.

It is important that we do all we can to ensure that the people who give their time and are willing to risk their lives to protect others are given the greatest amount of training possible, so that they know what they are doing and can protect themselves and the general public adequately.

STATEMENT BY THE MINISTRY NIAGARA RIVER WATER QUALITY

Hon. Mr. Bradley: This morning I signed a four-party declaration of intent to clean up the Niagara River. As members and the people of Ontario know, this agreement was reached neither quickly nor easily.

Ten months ago, Ontario was the lone holdout, refusing to approve an earlier draft. That draft was a statement of good intentions, but it left some important basic elements to be specified in the future. Instead of agreeing, Ontario said it wanted a specific percentage target for reduction of pollution entering the Niagara River from both point and nonpoint sources. I proposed then that, as our interim goal, the four governments seek at least a 50 per cent reduction by 1996.

The draft agreement also lacked any mention of excavation of the leaking toxic dump sites on the United States side of the river. Instead of agreeing, Ontario said it believed that containment would prove to be an inadequate measure for some of the dumps immediately adjacent to the river and that excavation and destruction will be the necessary ultimate solution. I proposed then that any good Niagara River cleanup agreement must contain a meaningful reference to excavating those dumps.

Over the months, we have achieved the improvements we sought, and today representatives of Canada, the United States, New York state and Ontario signed the agreement.

Key elements of the declaration of intent include a target of 50 per cent reduction of persistent toxic chemicals by 1996 from point sources such as industrial and municipal dischargers by 1996; a target of 50 per cent reduction of persistent toxic chemicals by 1996 from nonpoint sources such as leaking chemical dumps, and annual reports, starting next year, on technological developments applicable to dump-

site cleanups, with particular emphasis on excavation and destruction.

The agreement is a good framework for a meaningful cleanup of this vital and world-renowned waterway. All parties have an enormous stake in the speediest and most thorough cleanup of toxic sources entering the river. For the people of Ontario, certainly, restoring and protecting water quality is imperative to maintain our environment and to safeguard our economic, social and physical wellbeing.

For one thing, the greatest concentrations of Ontario's population—and Canada's—are in Toronto and communities along the shores of Lake Ontario, into which the Niagara River flows. Many of our recreational and aesthetic needs are satisfied by this body of water. It provides a vital source of drinking water for many Ontario households.

Drinking water alone is reason enough to demand that we clean up this river, but there is more. Restoring the river also protects the long-term interests of the many industries and services that have developed along both the Canadian and US shorelines. As expensive and difficult as abatement and cleanup programs may be in the short term to individual industries, these measures ultimately lead to a more secure environment for sustained economic development.

I remain convinced that containment of the US chemical dumps leaking into the Niagara River is only a short-term palliative. Ultimately, we will all agree that those dumps immediately adjacent to the river will have to be excavated and the toxic chemicals destroyed. Anything less means we risk disastrous toxic surprises down the road. It puts all our costly and hard-earned Niagara River cleanup achievements at risk, not to mention the health and welfare of untold numbers of US and Canadian residents.

Earlier today at the signing ceremony, I made Ontario's position on excavation clear to the other three parties.

Today's agreement does give us a good basis for turning the attention and resources of the four governments on the many individual trouble spots which plague the Niagara. This agreement ends an era of neglect and opens a long and no doubt arduous but, I believe, ultimately successful campaign to clean up the Niagara River and safeguard Lake Ontario and its vast supply of drinking water.

RESPONSES

NIAGARA RIVER WATER QUALITY

Ms. Fish: We see another loss in the course of transboundary discussions and international rela-

tions among Canada and the United States, Ontario and New York state. We have in front of us the signing of a declaration of intent which will not in itself do one thing to reduce the pollution and the loadings in the Niagara River. This is not an agreement; this does not set out implementation. It simply sets out sweet little fantasyland notions of the goals to improvement.

I remind the minister of his comments on May 13, 1986, when he said, "I have indicated consistently that the position of Ontario is based upon the recommendations of the report of the Niagara River Toxics Committee. First, there should be a scheduled reduction of pollution into the Niagara River; second, there should be extensive monitoring, and, third, there should be provision for the excavation of those toxic waste sites immediately adjacent to the river.

"In all good conscience," the minister continued, "I could not sign any agreement on behalf of the people of this province that did not contain those provisions."

His good conscience has apparently fled, and in bald face and bad conscience this minister has signed an agreement that at best may monitor some of the pollution that is going in, but does not implement any of the reduction and certainly does not excavate the sites. This minister's version of excavation of sites is a grudging consideration by the US authorities possibly to consider some newer technology that might deal with excavation, sort of, maybe, if they are in a good mood that day. This is a betrayal of the people of Ontario.

1350

Mrs. Grier: The minister has claimed that this is a better agreement than the one he was offered to sign 10 months or six months ago and I suppose that is a legitimate claim. The one he was offered 10 months ago was not worth very much at all and this one perhaps has some merit to boast about. It is certainly better than no agreement at all, and my friends to the right never managed to sign one.

The fact that it is slightly better than the one that was first talked about justifies the number of times we have raised in this House the minister's strong words about signing a strong agreement. The weakest link in the agreement is those very strong words the minister uttered about his commitment to excavation.

On May 12, 1986, he said he would sign no agreement that did not contain a commitment to excavation and in the last couple of weeks that has become "a meaningful reference" to excavation. That is still the outstanding question of this

report. Will we ever see excavation of the S area dump, of the Durez site, of the Hyde Park dump site? I am not sure we are going to. There are even qualifications about the reduction of the toxins.

What strikes me most about it is that we have seen agreements before. We have seen the Great Lakes water quality agreement. All agreements are only as good as their implementation. Is it not a strange day when we have all this attention, all this excitement about an agreement that people will do their job? If it is not the job of the federal Minister of the Environment, of the provincial minister and of the US officials to safeguard our environment, whose job is it and why has it not been done until now?

We were faced this morning at the signing with the sight of 400 civil servants brought together to pledge once again that they would get on with cleaning up the environment. It has some very weak links. It is something we have long waited to see happen. We have an annual monitoring and I can assure the minister we are going to be watching him every step of the way until the day when we can be sure no dioxins in those dumps are going into the Niagara River.

Mr. Rae: In addition to what was said by our critic, I want to make two points to the minister. First, I wonder whether the minister is satisfied with the statement, which is as follows, and I think it should be quoted in full:

"In 1988 and annually thereafter, review and report in depth, based to the maximum extent possible on existing parties' reporting requirements, on the state of new and emerging technologies applicable to hazardous-waste landfill-site remediation, with particular emphasis on such techniques as the excavation, removal and on-site destruction of contaminated material."

If he thinks that means the Americans have committed themselves either to excavate or to destroy chemicals, he is sadly mistaken. He cannot stand in his place and say that. If that is the position he is putting forward in the House, he is sadly mistaken. That is the first point that has to be made.

The second point that has to be made with respect to this agreement is that it is a declaration of intent among four ministries. It does not give the citizens of Ontario additional rights to sue in the US—which is crucial and what we desperately need—it does not give us the kind of right of action that we desperately need in order to enforce the law; and it does not take the power away from governments and give it into the

hands of the people, which is where environmental power really belongs.

I see the minister is very touchy. He is used to being praised to the heights. In the last two weeks he has had a hard time. He better get used to that fact. Not everybody thinks he is the cat's pyjamas and he better get used to that fact. It is hard, but he must learn to take it. He is not the cat's pyjamas on the environment any more and everybody knows it. The cat is out of the bag with respect to the minister's record on the environment.

What has to be said is that this agreement is simply a declaration of intent. It is not binding in law on anybody and that is disturbing. It means it is not a legal treaty; it is not binding. It cannot be enforced anywhere. With respect to excavation, the minister has achieved far less than he might like us to believe and perhaps even far less than he would like himself to believe, which is the saddest thing of all.

Mr. Leluk: On a point of personal privilege, Mr. Speaker: Yesterday in this House, during my question to the Minister of Health (Mr. Elston) regarding the pharmacy bills, Bill 54 and Bill 55, the member for Brampton (Mr. Callahan) and the member for Waterloo North (Mr. Epp) interjected comments alleging a conflict of interest on my part.

For the record, I do not own a pharmacy nor have I ever owned a pharmacy in this province or elsewhere. I am not a practising retail pharmacist and have not practised retail pharmacy since prior to 1961. I am not currently and have not been on the payroll of any pharmacy or the pharmaceutical industry. Should these members, or either of them, have any evidence to the contrary, I ask that they table it with the Clerk of the House.

Mr. Speaker: I listened very carefully to the member for York West (Mr. Leluk). I cannot see where that is a point of privilege. It sounds like a point of information to me.

Mr. Leluk: Mr. Speaker—

Mr. Speaker: Order. I listened to the honourable member. I do not consider it a point of privilege.

Mr. Leluk: Allegations were made in this House yesterday—

Mr. Speaker: Order. Will the member take his seat. Are you challenging my ruling?

Interjections.

Mr. Speaker: Order. The next item in routine proceedings will be oral questions.

ATTENDANCE OF PREMIER

Mr. Harris: There are matters of fairly urgent and significant importance to the people of Ontario that involve the Premier (Mr. Peterson). We were told he was going to be here. If he is not handy, I ask unanimous consent to stand down our questions.

Hon. Mr. Nixon: I am informed that the Premier will be here in a few moments. I will recall for the House leader of the official opposition and others that in past years this has happened on occasion, particularly when members are anxious to put questions to the Premier. It is quite acceptable to all sides if the leadoff questions are stood down. They are special because they have an additional supplementary and we can return to them at everybody's convenience. I am told the Premier will be here in a moment.

Mr. Speaker: Is it agreeable that leaders' questions be stood down?

Agreed to.

Mr. Harris: I have to go so far down on my list. If the New Democratic Party wishes to start and give us back our turn, we will be agreeable to that. I think it would be better if we recessed for five minutes.

Mr. Speaker: Order. I have called for oral questions. I understand leaders' questions have been stood down. I now ask for further questions.

ORAL QUESTIONS

NIAGARA RIVER WATER QUALITY

Mrs. Grier: I have a question for the Minister of the Environment. In our response to his statement, we talked about his previous commitments to excavation of the toxic waste dumps in the Niagara River. Perhaps it would be helpful if the minister would give us a clear, simple and maybe even brief explanation of why he was unable to include in this statement of intent a commitment to excavation of those dumps.

Hon. Mr. Bradley: As the member would be aware from the statement I made and from subsequent statements I made during a press conference after the signing took place, when discussions were on some time ago, our goal at that time as a ministry and a province was to have in the agreement, first and most important of all, a specific timetable, a specific number of years in which a specific percentage reduction would take place; second, as I indicated to the member in the House, much more extensive monitoring than was called for in the previous drafts of this kind

of agreement, so we could really pinpoint the sources and determine whether they were rising or falling; third, a commitment to the long-term goal of the virtual elimination of persistent toxic substances from the waterway known as the Niagara River.

In addition to that, I talked about excavation of the sites. I am sorry I did not see the member earlier during my remarks; I would have noted her presence. I believe the member was there when I was speaking and would know I made a reference to this at that time and I indicated Ontario's position. The Americans have consistently refused in the past to give any consideration at all to excavation. That has been their position. Subsequent to that, we had a very substantial reference to it.

Mr. Speaker: Order. Perhaps the minister would allow the member to place a supplementary.

Mrs. Grier: That kind of generalized statement is fairly typical of the agreement or declaration of intent that we have before us today. I am trying to get some specific commitment from the minister as to what is different today from the situation yesterday.

Can the minister tell this House whether today we are going to have any assurance that the Hyde Park dump, to take that as an example, is going to be no longer a threat to the people who take their drinking water from the Niagara River? As the minister knows, one gush of dioxin and Lake Ontario is no longer available to us as a drinking water source. What assurance can he give us today that we are any closer to preventing that than we were yesterday?

Hon. Mr. Bradley: As the member would have noted, because she attended the press conference as well—

Mr. Hennessy: Was she invited? Are we invited?

Hon. Mr. Bradley: Yes, everybody is invited to the conference, as far as I know. The member was there herself; she took the initiative.

Mrs. Grier: I was not invited.

Hon. Mr. Bradley: The member went; good for her.

Mr. Speaker: Order. Does the minister have a response?

Hon. Mr. Bradley: I am trying to get to the answer. At the press conference, the member will have noted that I made no attempt to oversell any particular agreement and emphasized that what is as important as any agreement are the activities that will flow from that agreement. It is

my view, with the written commitment of the four parties on those items I have discussed, that we will see the kind of activities that will have the effect of reducing contaminants to the river. I expect, and the member has stated in her response to me, that she will be ever vigilant, as will other members of the House, environmental groups and others, in ensuring that the provisions of that particular agreement are lived up to.

ATTENDANCE OF PREMIER

Hon. Mr. Nixon: On a matter of information, Mr. Speaker, the House leader for the official opposition was concerned about the presence of the Premier. I indicated he would be here soon. I am now informed that he is meeting with Thomas Niles; the meeting has gone over substantially and he is not sure when he will be here. A number of my colleagues in the ministry are here, and I cannot tell you when the Premier will attend.

Mr. Pope: The fact that the Premier is talking to Mr. Niles really relates to the question I am about to ask. It fills us with dread and, I suspect, fills 46,000 steelworkers in this province with dread, given the performance of the Premier in Washington.

Mr. Speaker: The question is to which minister?

STEEL EXPORTS

Mr. Pope: My question is to the Minister of Industry, Trade and Technology. The Premier is reported in the January 27 edition of the *Toronto Star* as saying something similar to what the minister was reported to have said in the January 28 edition of the *Globe and Mail*, both advocating the same thing. To quote the Premier: "...he said after the meeting with Heinz that he hopes the dispute is resolved through industry and federal government talks aimed at getting Canadian steelmakers to voluntarily restrain their exports to the US market, valued at more than \$1.4 billion last year."

The minister himself echoed a voluntary approach or point of view with respect to the steel issue. Senator Heinz has now tabled his legislation proving to all Ontarians, particularly the 46,000 steelworkers, that our Premier, regrettably, failed to have any influence on Senator Heinz in Washington.

Mr. Speaker: And the question is?

Mr. Pope: He failed to have any influence on the trade negotiator in Washington.

Can the minister tell me in detail what proposals for voluntary restraints of Ontario steel exports to the United States did the Premier

support and put to the American administration in Washington?

Hon. Mr. O'Neil: First, I do not feel the Premier failed in Washington at all; I feel he was very successful.

Mr. Brandt: I would hate to see him be a failure. Tell us what he did.

Mr. Speaker: Order. This is question and response period. I wish the members would allow every member to be heard. The minister, with a response.

Hon. Mr. O'Neil: As also mentioned, we feel that the voluntary restraints have worked over the past two to three years and there have been no problems. We feel that this can possibly work again. That is not to say we are not looking at other possibilities of things that can be done.

Mr. Pope: There are 46,000 jobs at stake in this province and the minister responsible for trade has no idea about any specifics of the discussions in Washington. He cannot tell us what the Premier offered specifically by way of voluntary restraint.

Can the minister tell me, then, since he does not know what went on in Washington, what consultations he or the Premier had with representatives of the steel industry, or the steelworkers and the unions representing steelworkers in this province prior to going to Washington and taking that position on their behalf?

Hon. Mr. O'Neil: I believe the honourable member asked the same question a few days ago. As I mentioned to him, meetings have been ongoing for some time now, for many months, and they will continue to go on. Other meetings in the future are scheduled and they have been going on as late as last week.

Mr. Pope: There are 46,000 jobs at stake right across this province. The minister has yet to answer a specific question. There are 46,000 jobs at stake in this industry. What meetings took place, where and with whom? Does he understand the question? What meetings took place since last October, with whom and what positions did he take at those meetings?

Hon. Mr. O'Neil: Again, as I mentioned to the member a couple of days ago, there have been meetings among the Ontario government, the federal government and the government of the United States. There have been meetings going on with the steel people and with the union people, and we will work to see that those jobs are safeguarded in this great province.

SALE OF LANDS

Mr. Gillies: In the absence of the Premier, my question is to the Minister of Municipal Affairs regarding the Vaughan land scandal. On December 8 in this House, the minister informed the House that staff had looked into the possibility of calling an inquiry into this matter and that he had been advised by the town of Vaughan that no inquiry was necessary. Yesterday, the Ontario Provincial Police raided both businesses and residences of practically everybody involved in this matter.

My colleague asked the minister in November whether an investigation was being undertaken into this matter. He said it was ongoing, despite the fact that his staff told my colleague the member for Brock (Mr. Partington) the investigation was completed on September 30.

A ratepayer in the town of Vaughan, Mr. Meyers, now alleges that he brought his concerns about this sale to the attention of the minister's colleague the Minister of Colleges and Universities (Mr. Sorbara) last April. Now that the police are clearly taking this investigation very seriously, why did the minister and his colleague the Minister of Colleges and Universities fail to act on the ratepayers' concerns for a period of some seven months?

1410

Hon. Mr. Grandmaitre: I indicated back in December 1986 that my ministry was conducting an inquiry, if one wants to call it an inquiry, in the town of Vaughan concerning the sale of two parcels of land. At the time we were conducting the review, we learned about the Ontario Provincial Police investigation. I said in this House, and I will repeat it so the member and the rest of the House hear it very clearly, when the OPP entered the picture my ministry pulled away from that review. I said I would report back to the House once the OPP review or inquiry was completed. With respect to my colleague from the area, the Minister of Colleges and Universities, I am not aware of these dealings that went on back in April 1986.

Mr. Gillies: I am sure the minister will appreciate that the allegations being made by the ratepayers are very serious indeed, namely, that a minister of the crown was made aware of allegations of municipal corruption in the month of April last year and failed to act on them for a period of some months when it was common knowledge, and I am sure the minister will agree it was common knowledge, that one of the

councillors under investigation by the OPP was his colleague's campaign manager.

In view of this very serious situation and the concern being publicly expressed about the conduct of ministers of the crown in this respect, as minister will he request of the OPP that this investigation be broadened to look into the conduct of his colleague, or do we in the opposition have to make that request?

Hon. Mr. Grandmaitre: I repeat that this inquiry is in the hands of the OPP. I have great confidence that they will conduct this inquiry thoroughly. I will await the final report before the ministry will act.

Mr. Gillies: I am afraid that is simply not good enough. The minister's conduct in terms of sitting on the report through the fall now is in question. The conduct of his colleague now is clearly in question. Mr. Meyers also tells us that in the month of September of last year the Premier (Mr. Peterson) was—

Mr. Haggerty: Are you saying the OPP will not do a job now?

Hon. Mr. Scott: Questioned by whom? Nobody is questioning it but you.

Mr. Shymko: Do not get upset. Do not get defensive.

An hon. member: I think we have struck a nerve.

Mr. Speaker: Order.

Hon. Mr. Sorbara: On a point of privilege, Mr. Speaker: My friend the member for Brantford has called my conduct into question. He has, and I say advisedly, not properly represented the truth in this House.

Mr. Speaker: Order. I think it is time we all cooled down a little bit. I am somewhat concerned about the language used by the member for Brantford and now by the language used by the Minister of Colleges and Universities. I have to say the minister is not putting forward a point of privilege.

Mr. Gillies: To the concerns of my colleague, these are not concerns originating with myself or the opposition; they are concerns originating with ratepayers in his constituency.

By way of supplementary to the minister—

Mr. Speaker: Directly through the chair to the minister.

Mr. Gillies: Thank you, Mr. Speaker. By way of supplementary through you, the Minister of Municipal Affairs has indicated to the House that he was unaware of any of the activities, or indeed of the knowledge, of his colleague in this regard.

Will he further confirm that Mr. Meyers, the ratepayer in question, spoke personally to the Premier about this last September and wrote to the Premier? Can the minister indicate to the House his knowledge of that exchange of views and what bearing it may have on his determination or lack of determination to press ahead with the investigation?

Hon. Mr. Grandmaitre: I can assure the member that I do not know if Mr. Meyers spoke or wrote to the Premier. I can assure the member that last June or July—I cannot recall the date or the exact month—I did speak to Mr. Meyers and I reported directly to my ministry. This is when the inquiry was started. That is all I know.

GUARANTEED ANNUAL INCOME SYSTEM

Mr. R. F. Johnston: My question is for the Minister of Community and Social Services. Last December I warned that Canada pension plan increases for the disabled would be matched by reductions by the minister's government in assistance under the guaranteed annual income system for the disabled.

As the cases now start to come in, it is clear the minister is indeed taking money out of the pockets of the disabled. Why does he think that Clive Langman in my riding should lose to the provincial Treasury \$135 of the \$157 CPP has given him in an increase? He has a total income of \$422 a month. How many thousands of others are there like Clive Langman whom the minister is cheating out of their benefits? Can the minister tell me how many millions he will be adding to the Treasury from their pockets?

Hon. Mr. Sweeney: The arrangements provided for the disabled who are transferring to the federal program are twofold. First, they can retain the benefits they have if they are going to drop below the value of the total package. Second, they will have the option of staying on the provincial program as opposed to moving to the federal program.

The member surely understands there is a mandatory agreement between the province and the federal government that all income has to be taken into consideration with respect to assistance programs. If they switch, we have no choice.

Interjections.

Mr. Speaker: I will just wait, if you like wasting the time.

Mr. R. F. Johnston: The minister must remember these are people who are disabled and,

by definition of the Canada pension plan, will not work again. I have one Michelle Osborne from Thorold, a victim of strokes. She has lost the entire \$191 of Gains assistance she used to receive. This has reduced her \$291 increase from CPP to just \$100. There is no choice but to stay with the federal program, because it is higher. She has also lost all her drug and medical benefits.

I want to know, and the minister did not answer my question, how many thousands of people are in this position, how many are going to lose their medical benefits and what is the dollar savings to the Treasury for this move.

Hon. Mr. Sweeney: The honourable member seems not to choose to hear the response. The fact remains that the mandatory, not voluntary, agreement between the federal and the provincial government is that all sources of income have to be taken into consideration for someone to qualify for a benefit. I have no choice over that.

1420

The second point I make is that each person who is faced with the decision to move from a provincial program to a federal program has the choice of picking whichever one is more financially beneficial to him or to her. Since individuals will be making that choice and will also be eligible for continued benefits if their total figure drops below what they were getting before, there is no way we can possibly know what the total impact is going to be. We have to allow people the option of making that choice. That is in the process of happening right now.

Mr. R. F. Johnston: This is truly outrageous. A month ago, these people all qualified for the minister's program and for topping up which is totally in his jurisdiction. It is up to the minister what levels he tops it up to, and he knows that.

What has happened to the minister's commitment to raise the disabled rates up to the rates of the elderly? Surely the federal government has just given the minister the perfect opportunity to raise those rates at this time by the large increases they have given. Is the minister not ashamed that the Mulroney Conservative government is more progressive about incomes for the disabled than the supposed reform Liberal government here in Ontario?

My question—

Mr. Speaker: I have already heard about two questions.

Mr. R. F. Johnston: My question is important, Mr. Speaker, because today I noticed that we have an increase in the budget of \$919

million, which is almost a billion dollars—the billion-dollar smile of the Treasurer (Mr. Nixon). How much of that is going into the government's campaign war chests out of the pockets of these people?

Interjections.

Mr. Speaker: Order.

Hon. Mr. Sweeney: The latter part of that question does not deserve a response.

Mr. Rae: It certainly does.

Mr. Speaker: Order.

Hon. Mr. Sweeney: I can advise you, Mr. Speaker, and through you the honourable member, that the additional funds available to the Treasury have included a \$92-million increase in my ministry's budget.

Mr. Rae: I did not hear an answer to the question from my colleague and I think we are entitled to an answer. We have a statement here from Ontario Finances, which has been issued by the government and which shows an additional revenue of \$919 million. There is an increase of \$94 million in lottery profits alone, to say nothing of personal or corporate income tax.

Can the minister tell us how much money his ministry is saving on the backs of those people who are choosing to take a Canada pension disability and are not able to get the money from Gains. How much money is the minister saving?

Hon. Mr. Sweeney: I have clearly indicated that, given the fact that each disabled person has the right to make a choice of which program he wants to have support in, there is no way of knowing how much money is going to accrue to this government. I can make very clear to the member, however, that the range of other expenses to the disabled and many other people in this society is going to use up whatever number of extra dollars are available. There is no surplus; there are no savings.

Mr. Rae: I am sorry, but the minister cannot continue to play this game. He has to understand that when one gives someone a choice between a program that pays \$20 or \$30 more and another one that pays \$20 or \$30 less, that person is going to be forced into the federal program. That is the reality. Do not talk about the rich and the poor having the same freedom to live under bridges, which is exactly the kind of freedom he is talking about. Let us talk about the reality of social choice for those people.

We are asking the minister today to tell us what the effect is going to be on his budget with respect to the Gains program. How much money is going to be saved on the backs of these people who are

being deprived of money, which one would have thought a relatively parsimonious, to say nothing of incompetent, government in Ottawa has decided to provide them? How much money is he saving by benefit of that program, instead of passing on that money to people who need it every day of the week? The minister knows that full well.

Hon. Mr. Sweeney: The fact that we are expending in excess of \$92 million in new dollars above and beyond the May budget would clearly indicate that no money is being saved. The money may be reallocated to other expenses, but no money is being saved—none.

Mr. Rae: We have seen some examples over the last number of weeks and we heard only today of the government's sensitivity with respect to the disabled. What I want to say to the minister is that, first, it is not \$92 million, it is \$80 million; so he is \$10 million off. Second, the programs which are contained in this release from the Treasurer have nothing to do, apparently, directly with the disabled; they have to do with a number of other problems which are in the Ministry of Community and Social Services.

We are talking about a reduction in benefits, a reduction of a minimum of \$100 in payments to people who are disabled. The minister must have calculations galore in the Dickensian calculus for which his ministry is so famous. Precisely how much money is he saving on the backs of these disabled people?

Hon. Mr. Sweeney: Given the fact that each person can choose which program he wants to support, given the fact he is obviously going to choose the program that is more beneficial to him and given the fact that no one will be worse off than before, there are no savings. I repeat that the difference between the May budget and the present expenditures is \$92 million. There are no savings.

Mr. Cousens: There is a loose nerve here somewhere, and there is a lot of nerve on the part of the government at this point in not coming forward with a straight answer, because the minister had to know back in November that the federal Minister of National Health and Welfare was about to make a change effective January 1. The Minister of Community and Social Services had to know that a number of the recipients of Gains-D in Ontario would be affected negatively. The minister had to know that something had to be done about it.

What is his interim plan and how many people are going to be affected by it right now? It is a serious problem. People are losing on it; the

minister thinks they are benefiting. What is he going to do about it?

Hon. Mr. Sweeney: There was a clear understanding, as the honourable member just expressed, that some people could have been negatively affected. Because of that possibility, I went to the Treasurer and to my cabinet colleagues and got their support for two measures.

The first one is that the benefit package which accrues to the disabled through the provincial program will continue for any person who would be negatively affected by the transfer.

Second, I got the approval and the support that each disabled person could make the choice as to which program he wanted to stay on, in which case no disabled person will be worse off today than he was in November.

1430

Mr. Eves: The minister may be interested to know his ministry has made some commitment that it will grandfather the drug eligibility cards these people are receiving now, but only until the person turns 65 years of age. That does not apply to any new applicants for this program and he is still making these people choose whether they want the federal program or this program. Will he not give this House an assurance today that nobody will lose those benefits, the prescription drug privileges or any benefits anyone has been entitled to under the Gains-D program up until now? Let the minister answer yes or no, today and right now.

Hon. Mr. Sweeney: The obvious reason the benefits under the present program will continue until age 65 is because at age 65 these people will qualify for the benefits as senior citizens anyway.

Second, I have already indicated that anyone who is currently on the provincial program will have his benefits continue if, in transferring to the federal program, he will be negatively affected. What can be clearer than that?

ATTENDANCE OF PREMIER

Mr. Harris: On a point of order, Mr. Speaker: I will be very quick. While we were having the hassle that the Premier (Mr. Peterson) was here, was not here, was coming, was not coming, was afraid to come and now was not coming, I suggested that if the New Democratic Party wished to start off, provided we could pick up a question, we would agree to that. I wonder whether we can pick that up now.

Mr. Speaker: That is entirely up to the House. I was going by the standing orders. They say we

rotate, and actually that is where we started. Is it agreed to pick up a question?

Agreed.

Mr. R. F. Johnston: On a point of order, Mr. Speaker: What does a member do when he feels the truth has not been spoken by a minister? We know the disabled are not—

Mr. Speaker: Order. Will the honourable member take his seat? I would like to remind some honourable members, one in particular, that there have been many occasions when I have received notes from members about wasting time in question period. Standing order 30(a) states that you do have an opportunity if you are not satisfied.

HELP CENTRES

Mr. Jackson: My question is for the Minister of Skills Development. The older workers' help centre in Lindsay is being run by two people who have been working there without pay for the last six months because they care about the program there, even though the minister so far has refused to provide any of the \$27,000 approved for its operation last spring. The minister had no difficulty in announcing to the media, in the Peterborough Examiner, such funding. Can he please tell this House when he is going to start showing the same kind of dedication and commitment to this program that the workers in Lindsay are showing? When is he going to start taking responsibility for his ministry and forward those funds to the Lindsay centre?

Hon. Mr. Sorbara: My friend knows very well that the unemployed help centres program, which was set up by the previous government, provided for a two-year review. My friend the member for Brantford (Mr. Gillies), who now spends most of his time in the sewer, was for a time minister there.

Mr. Gillies: A class act.

Hon. Mr. Sorbara: From where the member opposite is sitting he should hold his nose.

Mr. Speaker: Order. Minister, response.

Hon. Mr. Sorbara: That review is now complete and I will shortly be announcing our ministry's intentions and the government's intentions with respect to unemployed help centres. My friend should know, because he has studied these matters, the regime governing unemployed help centres is that there is equal commitment from the Ministry of Skills Development, this government and the community. When that equal funding is in place, the help centres generally proceed, but it is the support from the

community that calls out the support from the government.

Mr. Breaugh: Mr. Speaker, on a point of order: I probably should not be the one who does this, but I heard the minister say that a member of this House "spends most of his time in the sewer." That may be parliamentary in some places but it should not be parliamentary here and the minister should withdraw that.

Hon. Mr. Scott: Talk to him, Elie.

Mr. Martel: There is a difference between a swamp and a sewer.

Mr. Speaker: Order. If I could have the attention of the members, I am sorry to have to—

Mr. Martel: I have not said he is in a swamp or anything like that.

Mr. Rae: He did not say he lived in the swamp. He said he was master of the swamp.

Mr. Speaker: Order. I understand the member for Oshawa (Mr. Breaugh) heard, I suppose, what the minister said. I am not sure.

Mr. Sheppard: We all did.

Ms. Fish: It is in Hansard.

Mr. Speaker: Order. If the minister said that, I would ask that he withdraw it.

Hon. Mr. Kerrio: Let the member withdraw.

Mr. Martel: No, no.

Mr. Polsinelli: Ask Martel what a swamp is.

Hon. Mr. Scott: A sanitary landfill site.

Mr. Speaker: Order. I really would like to hear whether or not it was said. I could not hear it before. Minister, if you said it, would you withdraw?

Hon. Mr. Sorbara: I must admit I do not keep an accurate record of where the member for Brantford (Mr. Gillies) spends all his time and, on that basis, I will withdraw the comment.

Mr. Shymko: Your mouth runs faster than your brain.

Mr. Eves: Your mouth is going to get you into trouble. Perhaps it already has.

Mr. Speaker: Order. That sounded like a Churchillian withdrawal.

Mr. Jackson: I fear the minister is having trouble keeping track of his public statements as well, because in spite of his response I remind him that he told the Peterborough Examiner the Lindsay help centre would be getting those funds. Frankly, the minister should tell that to Olivia Hotner, the woman who has been providing free service to that community for six months based on the minister's promise. She has

been driving 28 miles round trip, every day of the week, at her expense for the gas, the mileage and the time, based on the minister's promise. I am sure she will be quite encouraged to learn that he was more concerned to respond to something said by the member for Brantford than to take seriously the concerns in Lindsay.

Mr. Speaker: And the supplementary is?

Mr. Jackson: Now that the Lindsay help centre has received nothing, the Peterborough help centre is closed and London, Niagara and Hamilton have now been forced to borrow money to meet payroll, will the minister advise when he is going to honour a commitment to older unemployed workers in Ontario? When are we going to see that commitment from his government?

Mr. Speaker: Order.

Mr. Jackson: When is it going to be a priority? When is Lindsay going to get the funding?

Hon. Mr. Sorbara: There were a number of supplementaries there. I want to point out that I did not want to show any disrespect for Ed Norton or all the other people who work hard in sewers.

I say to my friend who is so concerned that I suspect I will be making an announcement about unemployed help centres within 10 days. There have been problems with community support in the two help centres he mentioned, in Peterborough and Lindsay, and there have been other staffing problems. If he suggests that I ought to close my eyes to these problems and provide funding, notwithstanding that there have been problems brought to my attention, that is not the kind of management our government likes to champion. That is why he is over there and we are over here.

1440

TECHNOLOGY FUND

Mr. Philip: I have a question for the Attorney General. If the minister were to receive a letter from the government of Ontario offering to commit on its behalf a startup grant for a particular project that he was in charge of, would he not consider that a pledge that he could take to the bank and borrow money on for his particular project?

Hon. Mr. Scott: As Attorney General, I am not able to give legal advice to private citizens.

Mr. Philip: Judging from past history, the Attorney General does not seem to be able to give very good advice to the government either.

The Premier (Mr. Peterson) has stated in this House that there was in fact no contract between the government of Ontario and Abe Schwartz, the president of Exploracom. Yet the Attorney General will be aware that on May 28, the Premier wrote: "Dear Abe...I am pleased to commit on behalf of the Ontario government a startup grant of \$17.5 million." Will the minister not agree this is an affirmative response to what is obviously an application for money by Abe Schwartz? Will he not agree that places a contractual obligation of some sort on the government of Ontario?

Hon. Mr. Scott: With respect to the second question, I do not agree.

STEEL EXPORTS

Mr. Pope: Back to the Minister of Industry, Trade and Technology, who has a responsibility to 46,000 steelworkers in this province and to the steel industry of this province. We would like to know specifically what suggestions our Premier (Mr. Peterson) had in Washington with respect to voluntary restraints on steel exports to the United States. What specific commitments did he make? Is the minister saying he consulted with the steel industry in making those submissions?

Hon. Mr. O'Neil: What I am saying is that the Premier was in Washington, he had some very interesting discussions, he put forward points on behalf of Ontario and the steel industry here and I think he did an excellent job in doing that.

Mr. Pope: On intergovernmental relations, this government has a clean slate. It has lost every single one, including the environmental one today. They are totally useless. The Attorney General (Mr. Scott) is useless. There are 46,000 steelworkers' jobs in jeopardy.

Mr. Speaker: Order.

Hon. Mr. Scott: Pat Carney speaks. When you have Pat Carney on your side—

Mr. Pope: And we have you on that side. It is a disgrace too.

Hon. Mr. Scott: It is a disgrace too, is it?

Mr. Pope: Yes.

Hon. Mr. Scott: It does not match Pat Carney.

Mr. Speaker: Order. It is time the members started thinking a little more about decorum. I am speaking to all members. It is time to think about a little more decorum. I ask the member who is going to place a supplementary to place it through the chair, and if he wishes to point, to point at the chair.

Mr. Pope: Thank you, Mr. Speaker. When he was willing to sell out the lumber industry, he had studies that showed between 500 and 1,000 jobs in northern Ontario would be lost. When he is willing to sell out the steel industry, what studies has he done to show what jobs would be lost in Ontario as a result of this sellout, unilateral, on behalf of the steelworkers of the province?

Mr. Fontaine: There was more lumber sold last month than any month before.

Hon. Mr. O'Neil: I am reminded by the member for Cochrane North (Mr. Fontaine) that there was more lumber—

Mr. Davis: I would be careful who I took advice from if I were you.

Hon. Mr. O'Neil: I would take advice from him any day because he was one of the best ministers we ever had.

FOOD LAND PRESERVATION POLICY

Mr. Hayes: My question is to the Minister of Agriculture and Food. The minister will be aware that the city of Thorold is proposing to rezone to industrial and commercial approximately 2,200 acres of agricultural land. The Minister of Municipal Affairs (Mr. Grandmaître) has indicated in a letter dated December 17 to the chairman of the regional municipality of Niagara that he supports this proposal and that he will be asking the Minister of Agriculture and Food to endorse this same proposal. What is the minister's position on having this agricultural land become commercial or industrial?

Hon. Mr. Riddell: When any of my colleagues confront me with land severances or trying to use agricultural land for other purposes, they come up against a pretty tough customer. When that proposal comes before my ministry, the honourable member can be assured that my ministry will be commenting in compliance with the food land guidelines, and the food land guidelines state quite emphatically that where other lands can be used, then the agricultural land must be kept for agricultural purposes.

Mr. Hayes: I am very pleased to hear the minister's remarks that he is really in favour of preserving agricultural land. The fact of the matter is that in this area and across this province there is a lot of other property that is maybe unsuitable for agriculture and would be more suitable for industrial and commercial development. I would like the minister to assure us—he raised the issue of the provincial food land guidelines—that he will not support this proposal

from the Minister of Municipal Affairs and that he will explain to him how important it is to preserve agricultural land in this province.

Hon. Mr. Riddell: The Minister of Municipal Affairs agrees with me that, wherever possible, we should be preserving agricultural land. We will certainly have a look at the proposal when it comes before my ministry and we will be commenting. I will be consulting with the Minister of Municipal Affairs about the matter. We do try to preserve agricultural land wherever possible, and that is the reason the food land guidelines are there.

Mr. Brandt: I would like to ask a question of that tough customer, the Minister of Agriculture and Food (Mr. Riddell), but I feel compelled to ask a question of another tough minister, the Minister of Industry, Trade and Technology (Mr. O'Neil).

Hon. Mr. Riddell: Ask me.

Mr. Brandt: I would love to, but I have to move to the member's colleague today.

AUTO PACT

Mr. Brandt: My question for the Minister of Industry, Trade and Technology is to inquire about some of the conversations that went on in Washington with respect to the auto pact. As the minister is well aware, there are very few items that ever reach a degree of unanimity in this House. This is one issue on which all parties and all sides of the House are in agreement that we want the auto pact retained in its present form.

Can the minister give us some indication of some of the conversations that were held between the Premier (Mr. Peterson) and those with whom he came in contact in Washington, and his impressions of those conversations with the intent of preserving the status quo in the auto pact?

Hon. Mr. O'Neil: I have to agree with the honourable member. I also was here for the discussion that was put forward by the Leader of the Opposition (Mr. Grossman) concerning the importance of keeping the auto pact off the table. I can assure the member that many of the discussions the Premier had in Washington concerned this matter and that he put that point across very strongly.

1450

Mr. Brandt: The minister is aware that his ministry conducted some studies with respect to potential job losses that may occur as a result of some form of free trade agreement. Would the minister share with this House any studies or any

numbers he might have with respect to potential job losses if, in fact, the auto pact is requested to be renegotiated or withdrawn by the US government?

Hon. Mr. O'Neil: As the member knows, our ministry did a great number of studies, and those studies, I understand, have been released or will be released for anyone who would like them. I will inquire into this matter, and if the member has not already received it I will make it available to him if it is there.

PENSION FUNDS

Mr. Mackenzie: I have a question of the Minister of Financial Institutions. The minister will be aware of the concerns I have brought to him about the regulation change we just had in terms of bridging in private pension plans if people are going to apply for the Canada pension plan early retirement benefit.

The new regulation states that a bridging supplement may not be reduced if a person is entitled to receive an early retirement benefit under the CPP. It does not say, as it does in the Quebec legislation, that a bridging supplement may not be reduced if a person is receiving an early retirement CPP benefit. This distinction is crucial, and the minister will know that in our questions to the office of the superintendent of insurance we have not been able to get a clear answer on that.

Can the minister tell us whether he has looked into the matter and whether he is prepared to make the changes necessary in the regulations?

Hon. Mr. Kwinter: I thank the member for the question. He is right. He broached the subject with me yesterday, and I am looking into it; but I want to say it is the intent of this government that those people who take early retirement are not in any way put in a negative position because of that provision. We are going to make provisions to see that does not happen.

Mr. Mackenzie: I thank the minister, if he is telling me he is prepared to make the changes, if necessary. He must be aware that a large number of the unions and a number of individuals who are facing retirement do not know whether they can make the move now; if they are already on an early retirement through a private plan, whether or not they can apply for CPP without the loss of some of that private plan. We hear, even from the Pension Commission of Ontario, that it does seem to be a potential loophole in that regulatory change. I hope the minister takes action to close that hole very quickly.

Hon. Mr. Kwinter: I want to assure the members of this House it is our intent to make sure that any employee who takes early retirement is not in any way put in a negative position because of those provisions.

OCCUPATIONAL HEALTH AND SAFETY

Mr. Martel: I have a question for the caretaker of the swamp, the Minister of Labour.

Interjections.

Mr. Speaker: Does the member have a question, and to which minister?

Mr. Martel: The Minister of Labour, pardon me, Mr. Speaker.

On May 22, 1986, there were orders issued at—

Mr. Gordon: On a point of order, Mr. Speaker: I understood it was the official opposition's turn to ask a question.

Mr. Speaker: With respect, my eyes go in rotation. I did not see anyone up, so I took the member for Sudbury East.

Mr. Martel: If they are asleep at the switch, that is not my fault.

Mr. Speaker: Once again, does the member have a question and to which minister?

Interjections.

Mr. Martel: To the Minister of Labour. I cannot even hear myself think, Mr. Speaker.

On May 22, 1986, there were orders issued at Lake Ontario Steel Co. in Whitby for silica and lead assessments to be complied with by June 13, 1986. These orders were not complied with by June 13, 1986. The inspector visited the plant on January 16, 1987, and noted, "The lead and silica assessments required by the Ministry of Labour are not yet completed;" eight months later. I would like to remind the minister that lead and silica were designated in 1981 and 1983.

Mr. Speaker: Question.

Mr. Martel: Can the minister tell me why this company has been allowed to violate the act with impunity, and has he requested a special action yet?

Hon. Mr. Wrye: To the permanent keeper of the quagmire, I am not aware of the specific instance, but I am very pleased that the honourable gentleman has addressed this question, because it shows that the compliance dates we have begun to put on these matters are bringing these matters to a head. I could not agree more with my honourable friend when he points out that the lead and silica regulations have been in place for a long time and yet apparently this company is not yet in compliance with them.

I will check immediately into the individual circumstances. I would only say, while I am on my feet, in answer to the other part of my honourable friend's question, that a special action request under section 37 of the act would be initiated if considered appropriate by the inspector who is involved in this investigation.

Mr. Martel: I find it difficult to understand how the minister can say this is coming to a head under his new policy, since this occurred last June. It is now eight months and nothing has happened.

But since he is so sure these things are working, to use just another example, I want to bring the minister up to date on the situation at Waferboard in Timmins, which started using the substance in July 1985. In the minister's letter to me of January 8, 1987, he states: "On July 7, 1986, an order was issued to develop a control program for isocyanates."

To date, that control program is not in place. Can he tell me when he is going to force the company, which has been required now for over a year, to comply and have that control program in place?

Hon. Mr. Wrye: I believe there has been a concern in terms of Waferboard as to whether it is in compliance. I do understand that notice of noncompliance has been issued and a special action request has been prepared. Certainly, I think the honourable gentleman would expect that in some instances, where the orders that our ministry writes are not complied with, and we are not always able at the end of the day to force compliance in the first instance, we will then take further action.

In the Waferboard situation, which has again dragged on for far too long, I note that the honourable gentleman acknowledges that that further action is being taken. We intend to get that company into compliance, because this matter is a very serious one at that company, as at so many others.

ROTATION OF QUESTIONS

Mr. Gordon: On a point of order, Mr. Speaker: In the past, we have had occasions where a Progressive Conservative member has been recognized by you, and then you have noticed that the member for Brampton (Mr. Callahan) has stood up and have insisted that under the orders of rotation, standing order 29(b), the Brampton member be allowed to pose his question in following the normal order of rotation. I would like to make the point here that I

believe there has been an error in the decision you made.

Mr. Martel: On the same point of order, Mr. Speaker: I understand the Speaker's difficulty with these things, but surely the official opposition have to agree that their members have to stand up in their place so the Speaker can recognize someone.

Interjections.

Mr. Martel: No, you were not standing. Baloney.

Mr. Speaker: I have listened very carefully and I will certainly try to make certain that the standing orders are carried out as set out and approved by all members.

REPORTS BY COMMITTEES

STANDING COMMITTEE ON REGULATIONS AND PRIVATE BILLS

Mr. Callahan from the standing committee on regulations and private bills presented the following report and moved its adoption:

Your committee begs to report the following bills without amendment:

Bill Pr15, An Act respecting the City of Hamilton;

Bill Pr59, An Act respecting the City of Mississauga;

Bill Pr60, An Act to revive Williams Creek Gold Quartz Mining Co. Limited;

Bill Pr64, An Act respecting the Town of Wasaga Beach.

Motion agreed to.

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STANDING COMMITTEE ON THE OMBUDSMAN

Mr. McNeil from the standing committee on the Ombudsman reported the following resolution:

That supply in the following supplementary amount and to defray the expenses of the Office of the Ombudsman be granted to Her Majesty for the fiscal year ending March 31, 1987:

Office of the Ombudsman program, \$100,000.

MOTION

COMMITTEE BUSINESS

Hon. Mr. Nixon moved that the estimates of the Ministry of Labour be transferred from the standing committee on resources development to the standing committee on social development,

to be considered following completion of the estimates of the Ministry of Education.

Motion agreed to.

INTRODUCTION OF BILL

CANADIAN OPERA COMPANY ACT

Ms. Fish moved first reading of Bill Pr39, An Act respecting the Canadian Opera Company.

Motion agreed to.

ORDERS OF THE DAY

NURSING HOMES AMENDMENT ACT

(continued)

Resuming the adjourned debate on the motion for second reading of Bill 176, An Act to amend the Nursing Homes Act.

Mr. Speaker: I believe the member for Windsor-Riverside was making some comments on Bill 176. Does the honourable member have any further comments?

Mr. D. S. Cooke: I just need a few more moments, after I get organized here or try to get organized. I want to make a few comments on profit versus nonprofit nursing homes in the province and then some comments about specific aspects of the bill that is before the Legislature today.

I can see that everybody in the assembly is very much interested in this legislation.

Mr. Speaker: I notice there are, and from what I hear I believe there are, a number of private conversations. I am certain they are very beneficial to the individuals who are participating, such as the member for Scarborough Centre (Mr. Davis) and the member for Sudbury East (Mr. Martel), but it is very distracting.

Mr. D. S. Cooke: I want to make a few comments about private versus nonprofit nursing homes in this province. I stated yesterday that currently in Ontario about 96 per cent of the nursing home beds are in the private profit sector. As the minister announced in the past few weeks, there will be 1,000 new nursing home beds allocated across this province, 600 of which have already been allocated to various communities.

It is my understanding, and I think it is accurate to say, that there is no active search and there are no active ministry officials in the communities who attempt to go out and search for nonprofit groups so we can realistically expand the nonprofit basis of nursing homes in this province.

If we are to be serious about nonprofit nursing homes, it seems to me the minister and the

ministry are going to have to become active in the communities to encourage nonprofit groups. They are going to have to go and tell nonprofit groups about the apparent new emphasis on attempting to get nonprofit groups involved in the delivery of extended care services in the province.

At this point, one can only come to the conclusion that the ministry is using the appropriate rhetoric in saying it wants nonprofit groups, but when these 1,000 beds are allocated there will be, in my view, absolutely no change in the ratio of profit to nonprofit nursing homes beds in this province.

As I stated yesterday, there is no other sector of service to human beings in this province that uses the private profit sector to the same degree that care of our elderly does. It is a further reflection of the former government's attitude towards the elderly in this province and it is a reflection of the attitude of this minister and this government that it does not really matter whether it is the private profit sector when it comes to care of the elderly. Whether the care is adequate is insignificant to this government. It is about time that attitude changes and that we look at whether the private profit sector is providing appropriate care to our senior citizens.

The new 1,000 beds that will be in the system will cost the system, the taxpayers of this province and the residents of nursing homes about \$18 million a year. As I said yesterday, that is equal to the total amount of money being spent on home care to the frail elderly in the 16 communities that have been designated so far.

There is nothing in this proposed legislation which takes care of or addresses the severe understaffing that occurs in the nursing homes of this province. Currently, the regulations attached to the legislation call for a minimum of one and a half hours of nursing care per day or a ratio of nursing care that meets the needs of the residents of the nursing homes.

It is fair to say that when inspectors go out to the nursing homes and figure out the ratio of staffing, they have no idea whatsoever what the needs of the residents are. Assessments of the residents are hit and miss. They are not regular and they are not done by the ministry on a very regular basis. There is no way for the inspectors to determine what the needs of the residents are. The reality is that the one and a half hours of nursing care per day become not the minimum but the minimum and the maximum and, therefore, the needs of residents are not being met.

There are many ways that nursing homes in this province get around the staffing regulations, and I will put one out. I have come across many nursing homes which use nursing staff in their laundries. While those staff members have absolutely no patient contact, they are still figured into the ratio. The one and a half hours of nursing care per day is meaningless. It does not reflect the needs of the residents of nursing homes in this province at all. That is a crucial issue in reforming the nursing home system that is not addressed by this bill.

We will look at amending the statement of principles, which we hope to turn into a bill of rights that will beef up the staffing requirements. I would have preferred that the minister introduce amendments of his own or additions to this bill that actually addressed the staffing problem. It is fair to say that this issue of staffing will be a focal point and an important aspect of this bill, which will be debated not only by members of the Legislature when we are out in committee, but also by the various consumer groups and residents' groups, all of which are very concerned and upset that nothing has been proposed to address the severe understaffing of our nursing homes across this province.

The enforcement of the Nursing Homes Act is very important in establishing whether the act has any meaning at all. Up to November 30, 1986, there were 108 charges against nursing homes. There were only two convictions, for a total of \$407.50. In 1985, there were 41 charges and five convictions, for a total of \$1,300. It is very hard for us in this party to believe this minister is serious about enforcing the Nursing Homes Act when the record since he has been minister is examined closely. In two years, there were 149 charges and seven convictions, which can hardly be considered a crackdown on the nursing home industry of this province.

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There is a proposal in the new legislation that the charges will result in higher penalties. The reality is that the proposal has no minimum fine whatsoever, so in the practical world the reality is that judges will continue to determine what the level of fines will be and it is very likely that the fines will continue to be minimal. Therefore, the violations of the Nursing Homes Act and any charges and subsequent convictions and the very low fines just become a cost of operation.

In fact, the way it has operated in this province for many years is that if you violate the act, the ministry writes up a compliance order. The ministry then comes back and decides whether

you are in compliance. If you are not in compliance, it will write another compliance order, and that can go on for several months, if not years. Finally, the ministry might decide to lay a charge. Then the charges can take two or, in some cases, three years to be dealt with in the courts and you might get a \$50 fine.

The reality of the situation is that it is much less expensive—in fact, it is much more profitable—to violate the act, because the actual convictions and fines are so low that if, for example, you cut back on staffing, the amount of money you save in one day from cutbacks in staff will more than pay the fine; so you can boost your profits by violating the act and then simply pay the fine after you are convicted, maybe two or three years down the road.

If the minister is serious about reforming the nursing home system, there has to be a completely different philosophy towards compliance with the act and violations of the act. If you are driving on Highway 401 or one of the freeways in our province and you are violating the speeding laws of this province, the police officer does not pull you over and say, "We would ask you to comply before we charge you." If you are violating the act you are charged, and there is an expectation that you are going to pay the fine.

It seems to me the same rules should apply to the nursing homes of this province. If they violate the Nursing Homes Act, they should be charged and they should be dealt with severely in the courts. The only way that can be done is by a different philosophy of enforcement by the Ministry of Health and by a different fine structure that has minimum fines that are substantial and make it costly to violate the Nursing Homes Act.

I would also like to spend a couple of minutes talking about the statement of principles that exists in the proposed legislation. I think it should be made very clear that this is not a bill of rights the minister is proposing. It is not a bill of rights; it is a statement of principles. There is no way of enforcing this statement of principles, and it seems to me, if we are to be serious about reform of the Nursing Homes Act, the statement of principles that is proposed has to be turned into a bill of rights.

We will be proposing amendments along those lines when we get out to committee so that there can be enforcement by the individual residents of nursing homes and enforcement by the nursing homes inspection branch. It seems to me the bill of rights can be expanded and improved so that

some of the issues, like staffing, will be addressed by this bill.

Finally, I point out that we have some real concerns about the proposed residents' council, the residents' council advisory committee and the residents' council advisory committee adviser, which is the system of advocacy that is proposed in this legislation. It seems to me we can support the concept of recognizing in the legislation that there is a role for residents' councils, but it is not the responsibility of the residents to enforce the Nursing Homes Act. It is not the responsibility of residents to analyse the budget and the statement of profit and loss that will be required under this legislation.

If we are serious about advocacy, we will accept the recommendations of groups like Concerned Friends of Ontario Citizens in Care Facilities, who favour the proposal of Advocacy Ontario, an independent advocacy procedure that not only will be playing a role with residents of nursing homes but will also be playing a role of advocacy with other groups in our province as well: the physically disabled, the mentally disabled and other groups that are vulnerable in our society.

It seems to me this overall advocacy program would make a lot more sense and would have a real power of advocacy, since they would be at arm's length from the government and from the various ministries and would have a proper mandate, as opposed to the lack of any kind of mandate for the proposed residents' council and residents' council advisory committees and so forth.

We will want to listen very carefully to presentations that are made before the committee, try to present amendments to this section of the bill that will properly define the roles and properly accept the role for residents' councils and not try to use residents' councils to enforce the act or not try to co-opt either residents' councils or their advisers into the system. Instead, the government should allow them to play the important role they can, will and have played, but recognize that it is not the kind of advocacy that would provide for basic reform in the nursing home system.

As I said yesterday, we accept that these amendments that are being proposed are substantial reforms to the Nursing Homes Act. In our view, they do not go nearly far enough. When we have our public hearings later this month and in March, I suspect we will be able to come to a consensus for further amendments that will improve the Nursing Homes Act and, I hope, will

improve the quality of life and care of residents in the nursing home system across the province.

We in the New Democratic Party are happy that some of the amendments, such as financial disclosure and controls on ownership that we have been advocating for many years, have been accepted as part of the accord. The accord did provide for nursing home reform.

We are quite upset that it has taken nearly two years for these short-term amendments to come forward. When the overall new extended care act comes forward in the near future, we hope the process of reform will not take nearly as long as this process has taken with the current minister.

We look forward to the public hearings and further improvements in these proposals.

Ms. Hart: I have a few brief comments in winding up the debate. First, I would like to take the opportunity to thank the critics who were involved in the debate. It is always interesting to hear the other sides of the issue, although we do not always agree, as in this case.

This legislation, Bill 176, is not the answer to all the problems of our seniors living in nursing homes in Ontario but, no doubt, the members will agree it is a significant first step in improving the quality of care and improving the quality of life for those nursing home residents.

In addressing the existing defects in the legislation, pending a comprehensive review which we talked about yesterday and today, I would like to respond very briefly to the members who have spoken.

The member for Lincoln (Mr. Andrewes) talked about his concerns on the enforceability of the statement of principles in the bill. I believe the member for Windsor-Riverside (Mr. D. S. Cooke) also alluded to that concern.

In fact, in my view, the statement of principles is fairly clearly set out in the amendments. I have dealt with judges and many cases in dealing with plain, ordinary meanings of words. I do not think they will have any difficulty coming up with what these words mean. Clearly, the rights of the residents can be enforced in several ways, as mentioned in the amendments.

First, the nursing homes that fail to operate in accordance with the principles will be in violation of the act and subject to fines of up to \$5,000 on a first offence and \$10,000 for subsequent offences.

Second, the residents' rights will be deemed to be part of the contract between the homes and residents and, therefore, individuals will be able to sue owners who fail to comply.

Finally, nursing homes that are in serious breach of these principles could have their licences revoked.

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The second aspect of concern the member for Lincoln mentioned was that there was an abdication of responsibility by the minister to the residents' councils. The enforcement system in the act will remain in place, of course. What we are doing is encouraging residents to become more involved in the process. Often the residents are the first to be aware of a possible violation, and the powers of the residents' council advisory committee and the residents' council will merely complement, not replace, the minister's authority in that regard.

The member for Lincoln also referred to the advocacy aspect of the residents' council. These amendments do not deal at all with advocacy. That is a separate topic altogether, which is currently being looked at by Father Sean O'Sullivan in his review of advocacy for vulnerable adults. At that time, it will be more appropriate for both members to deal with that subject.

The member for Windsor-Riverside had some concerns about staffing levels. He indicated that these amendments did nothing to help the problems of staffing levels in nursing homes in this province. In fact, the amendments authorize the minister to enter into contracts with specific nursing homes for extra services. This mechanism, rather than an across-the-board subsidy and a per diem for each home, allows us to target our resources so that additional money is available only where there is a proven need. We want to be certain that every new dollar results in improved care for residents, not more profit for owners.

The member for Windsor-Riverside was quite adamant in yesterday's debate that the whole thrust of the amendment did not have anything to do with reform in nursing homes in Ontario. I take great exception to that. In fact, these amendments deal primarily with the quality of life and the quality of care in nursing homes for the elderly in this province. This government has shown itself to be committed to a humane and dignified old age for the residents of this province. While this is an interim step, we are involved in a wholesale review of the extended care legislation. These amendments do go some way towards alleviating the problems in nursing homes in Ontario.

I am very pleased at the support of the two parties opposite for the amendments and look

forward to the continuation of this lively debate in committee. I move second reading of the bill.

The Acting Speaker (Mr. Morin): Second reading of the bill should be moved by the minister. You did not introduce the bill.

Ms. Hart: That is right.

Hon. Mr. Elston: It is my privilege to add a few comments with respect to the bill as it has been introduced for second reading. I have to say I have a great deal of relief now that I know the bill will be supported on second reading by both the official opposition and the real opposition, the third party. We understand members opposite may have concerns of varying natures with respect to some of the proposals being brought forward, but the healthy discussion which I am sure will follow in committee will alleviate a number of their areas of concern, when they hear that in fact the concerns they have raised in large part have been addressed.

With respect to some of the doctrinaire statements, as I think they were predescribed by the member for Lincoln as he attributed some sort of what will we say—as he indicated he felt the member for Windsor-Riverside would address—

Mr. Andrewes: Doctrinaire.

Hon. Mr. Elston: I am sorry—doctrinaire statements that the member for Lincoln anticipated from the members of the third party.

With respect to the question of the ownership of nursing homes, I am sure the comments of the member for Windsor-Riverside are made from a deeply held conviction that there should not be any for-profit organizations involved in the nursing home business, and I accept his statements at face value.

It might be interesting, however, to note that a number of his colleagues in the New Democratic Party from time to time provide me advice that, in fact, private owners of nursing homes should be in receipt of a number of beds to complement or round out the number of beds currently owned and operated by those people.

I can think of one particular facility in Hamilton which gained the attraction of members of all parties who wrote to me encouraging me to increase the number of licensed beds in those facilities. I can also tell the member for Windsor-Riverside that I received a copy of correspondence which he directed to a previous minister. It came directly from the owner of a particular private nursing home in St. Thomas in those days. It was an indication that if the inspection records were appropriate, the member for Windsor-Riverside would recommend that

there be 10 beds added to that facility for a private operator.

That being the case, we know that everybody has an interest in providing suitable accommodation for people in Ontario. I take it that in those situations where there are facilities being operated in a manner which is in compliance with our act, people would choose to recommend that we add facilities to provide services for those people.

The member for Windsor-Riverside also made a large point of the fact that there might not be any other choices for people. I can agree with the honourable gentleman that there were not as many choices in days gone by as there ought to have been. As the case would result, we have moved to address that. We have moved to provide improvements in the home care program; we have moved to introduce the integrated homemaker program across the province and, in fact, have six of those programs up and operating. Ten more have been introduced for February of this year; and I think the honourable gentleman will know and, in fact, if he had not already spoken in such a low-key manner yesterday and today on this same topic, he would congratulate us for moving to provide those extra choices to people. Surely, our job is to provide people with the opportunity of choosing whether they live in nursing homes or in other accommodation.

Be that as it may, the choice is now being made available for people to do just that. However, under the current circumstances, we recognize that we must move to improve the lot of those people who do require nursing home attendants.

The amendments proposed here for all of us to consider, and which I presume will be considered at length in the committee stage, will increase the quality of life for those people who must have nursing assistance.

It seems to me we are moving in the right direction. I heard from members of the two opposition parties that they thought the steps were good and positive ones, although I also acknowledge that they do not always agree with the provisions contained therein. That is the privilege of the people who look at legislation. We will be going into committee to examine exactly what parts might be improved from their point of view.

I welcome the committee participation. I welcome the challenge of improving the benefits and the lot of the people of the province who require nursing home assistance. I think these amendments will go a long way towards unravel-

ling some of the mysteries that surround the operational side of the nursing home business. I look forward to continuing to improve upon the benefits which are available to the senior citizens of Ontario.

Motion agreed to.

Bill ordered for standing committee on social development.

1530

HEALTH FACILITIES SPECIAL ORDERS AMENDMENT ACT

Hon. Mr. Elston moved second reading of Bill 177, An Act to amend the Health Facilities Special Orders Act, 1983.

Hon. Mr. Elston: There are very few comments to make on this piece of legislation except to say it is required as a companion piece to Bill 176, about which debate has just been completed on second reading. From my standpoint, it would be productive if the two bills were referred to the same committee to be dealt with in tandem as we go through the hearing process and to come back to us in the House together after having gone through the hearing process.

Mr. D. S. Cooke: Most of the comments were made by both critics when we were dealing with the previous bill. I appreciate what the minister said, and we also expect this bill will go to committee for public hearings. I have one major concern and that is the repeating of the philosophy in this bill, that nursing homes continue to be given the opportunity to comply with the Nursing Homes Act and that it has to be proved that they have been given several opportunities to comply with the act before the ministry can take the appropriate action of taking over a nursing home under this legislation.

It seems to me, as I said previously, that if the Nursing Homes Act is violated, we should not continue to follow the philosophy that nursing home operators continue to be given the opportunity to comply with the act. If you break a piece of legislation by speeding on the highway, the police officer does not stop you and say, "Slow down your speed and we will give you an opportunity to comply with the act." You are fined and given a ticket.

If a nursing home violates the Nursing Homes Act and if it violates it in such a way that the ministry has to consider taking over that nursing home, we know it is a very serious violation and that is the approach we should take. The nursing home should be taken over. In cases where they violate the act to the point where they are simply

cited for a violation and fined if they go to court, we should be very strict. There is no reason why there should be an opportunity on a regular basis to comply.

If a nursing home breaks the act, it should suffer the consequences of breaking the act, especially when we understand that we are dealing with frail, vulnerable people in our society. I have a concern that this legislation perpetuates the philosophy that allows nursing homes not to comply with the act and gives them too many opportunities to come into compliance.

Mr. McClellan: This is important legislation that is being passed today, although it will be passed very quickly. In many respects, it is a very historic step that is being taken. I wanted an opportunity to participate at least briefly in the debate. We stand here in February 1987 with legislation that is finally going to be enforceable. I suppose this is an accomplishment of sorts, but it really has to be red-flagged that we have arrived at this late date in the 20th century and the Legislature of Ontario is finally bringing in nursing home legislation that, we think, hope and pray, can actually be enforced.

When I had the privilege of serving as Health critic for the New Democratic Party, we raised a number of cases of the most flagrant violations of the Nursing Homes Act and regulations. The minister of the day, the member for St. Andrew-St. Patrick (Mr. Grossman), who was, I think, impressed by the seriousness of the violation of the Nursing Homes Act and regulations, found to his absolute horror that the Nursing Homes Act was completely unenforceable; that the government did not have the authority to take away a nursing home licence from the Kentucky Fried Chicken operator who had purchased the nursing home in question in the Alliston area; and that the government, to enforce the law of Ontario, had to come before this assembly and ask for the emergency passage of additional legislation in order to be able to enforce an act that had been on the statute books literally for decades. This was as recently as 1983.

I cannot remember when the first nursing home act—1972 was the first legislation. The first attempt at serious enforcement, and by that I mean the removal of a licence from an unworthy operator who was putting his residents at risk, was in 1983-84. The ministry discovered that it completely lacked regulatory authority.

This minister has been in office now for some 19 months. We think it has taken a long time, quite frankly, to get to this stage, but we are

confident that at least the government has armed itself with the regulatory powers that it needs. It remains to be seen whether the government has the will to enforce the legislation that will be passed here this afternoon.

It is still clear to us that there is an insufficiently large inspectorate, and it is still clear to us that the basic policy premise of the Ontario government is fundamentally flawed and that the reliance on private sector for-profit nursing homes is a dangerous policy.

It is a dangerous policy, and I stress that to the minister, because the search and quest for profit—and it is a matter now of empirical observation and record—in the nursing home industry has come and will continue to come at the expense of quality of care. It is as simple as that. Any business is based on cutting costs and enhancing profit. That is what business is all about. That is the basic law that businessmen live by or die by, and in the business sector it is entirely legitimate. It is equally illegitimate when it is applied to the field of human service, and it leads to the kinds of abuses—I would say the kinds of atrocities—that have been documented in this assembly time after time after time over the past 10 years.

We have two nursing home systems in this province. We have parallel systems. One, under the jurisdiction of the Ministry of Community and Social Services, is run on a nonprofit basis, which I believe provides quality of care. It certainly does in my own community of Metropolitan Toronto. We have another system, the free enterprise system, the for-profit system, for extended care patients, run under the jurisdiction of the Ministry of Health, paid for, ironically, 100 per cent by the taxpayers of this province, which I feel is a second-rate, second-class service which has demonstrated over the past 20 years that it is incompetent to provide quality of care; that the profit motive and quality of service are incompatible.

Mr. D. S. Cooke: Even Dorothea Crittenden said that.

1540

Mr. McClellan: My colleague points out that a distinguished former deputy minister, Dr. Dorothea Crittenden, studied the nursing home situation and came, quite independently, to precisely the same conclusion.

Sooner or later, the government of Ontario is going to have to face up to the fact, whether it is in the nursing home field, the education field or the field of day care, that there is no room for the business ethic or the laws of profit and loss,

which apply so appropriately in the business sector.

This is not to say we cannot insist and demand first-class administration, administrative competence and thrifty administration, but it is quite clear that when the laws of the marketplace and of profit and loss are applied in the field of human service delivery, the result is a disaster. The result puts vulnerable people at risk. The results, quite frankly, cannot be tolerated in a civilized society.

I put the government on notice that the passage of this legislation does not end the debate on nursing homes in Ontario. We will continue to monitor conditions in private sector for-profit nursing homes with as much vigilance as we have over the past 10 or 15 years. I have put the minister on notice that we will continue to raise violations and abuses of patients. We will continue to raise instances of failure of the regulatory branch of his ministry. I say to the minister with all sincerity that if he stays in this portfolio, his work is only beginning with the passage of this legislation.

Again, I stress the fundamental absurdity of a dual system under separate ministerial jurisdiction, one for-profit in the Ministry of Health, the other nonprofit in the Ministry of Community and Social Services; one a first-class system in the Ministry of Community and Social Services, the other a second-class system in the Ministry of Health. This situation cannot be tolerated and should not be tolerated. The kind of rationalization that the previous regime was incapable of achieving has to be achieved.

I know the difficulties of forcing bureaucracies to yield some of their power and privilege, to say nothing of their budget and staff and to say nothing of their jurisdiction and authority, but it has to be done. Heads have to be knocked together.

Perhaps the best way to do it is to look at a ministry for seniors. Perhaps one way of doing it is to take it out of both ministries and put it into a third ministry, where perhaps it can be rationalized. That is at least a suggestion I am sure the government is exploring, but it cannot continue. The services for seniors, whether institutional care or community-based care, are split between the two competing ministries of Health and Community and Social Services.

It has led to chaos in institutional care and chaos in community-based care, and the current compromises are not solutions. They are temporary; they are ad hoc; and they will not put in place either a quality residential care system for

the frail elderly or a comprehensive community-based support system for those who are able to live in independence in their own homes.

Until these problems are solved, the Minister of Health (Mr. Elston), the Minister of Community and Social Services (Mr. Sweeney) and the Minister without Portfolio responsible for senior citizens' affairs (Mr. Van Horne) are going to be continuously firefighting, and we in the opposition will continue to be bringing forward examples of patient abuse, gaps in service and a great deal of human suffering that has resulted from the failure of our institutions in Ontario to respond adequately to the needs of the elderly in the latter part of the 20th century.

That is the challenge that is in front of this government, as it has been in front of each of the governments that have served this province over the last two decades. At least today I think we have the regulatory framework in place. As I say, we will wait and see how the government enforces it.

Hon. Mr. Elston: Might I thank my colleague the member for Bellwoods for his intervention, and for the intervention, of course, from the member for Windsor-Riverside (Mr. D. S. Cooke). I think all of us are quite well aware that with the passage of a piece of legislation the work is not at an end and, in fact, there is a great deal of work to be done. However, I can tell the honourable gentleman that I am pleased to share that work load with my colleagues, the Minister of Community and Social Services and the Minister without Portfolio responsible for senior citizens' affairs, as we approach some of the major issues about which he spoke.

I can tell the honourable gentleman that some of his comments are very much appreciated in terms of the description of the importance of this particular piece of legislation. Although debate has been short on it, I can assure him that we look on the importance of this in no lesser light because of the time spent on second reading.

We will be processing these two bills through committee for hearings, for the representations I am sure will be made with respect to these. The intervention of the member for Windsor-Riverside is very much noted, and I appreciate his advice with respect to the second reading of this bill.

With those few remarks, I am pleased to move second reading of Bill 177.

Motion agreed to.

Bill ordered for standing committee on social development.

SECURITIES AMENDMENT ACT (continued)

Resuming the adjourned debate on the motion for second reading of Bill 156, An Act to amend the Securities Act.

Mr. Charlton: Unfortunately, the last time this bill was being debated, my colleague the member for Welland-Thorold (Mr. Swart) was on his feet at the adjournment. I have been assigned the task of trying to pick up his speech in the middle and finish it, which will cause me some difficulty.

I will not run back through all of the comments he made in the first half of his comments, except to say that we are supporting this bill. We find all of the provisions of the bill supportable provisions, especially the provisions that will, for the first time, bring takeover bids out into the open and, in effect, force undesirable takeover bids especially into the public view for public scrutiny.

The other part is that the minister, for whatever reason, has not decided to call a provision of the bill, that we see as very important. It is the part that gives provisions governing illegal trading on inside information. I think it is a very important aspect of this piece of legislation.

As I said, we are supporting all of the provisions of this bill, but it has to be viewed in the context of the total package of changes that are happening in the securities sector, and that presents some problems for us. It does not in any way affect our support for this legislation, but this legislation also does not deal with a number of the other things that are happening as part of this package of changes in the securities sector.

1550

The minister is well aware, obviously, of the other changes; he announced them here in the House. They will not only change the relationship between financial institutions in this province and their ability to own securities but also dramatically change the question of foreign ownership of securities in Canada and Ontario. This legislation does nothing to stop what we are all concerned about in many areas of our economy; that is, corporate concentration. It does nothing to prevent takeovers and domination by foreign owners, specifically United States owners.

In this package of securities changes, I find it somewhat hard to understand some of the different comments that are coming from the government. Over the course of the last several weeks, we have listened to comments from the

Minister of Consumer and Commercial Relations (Mr. Kwinter), the Minister of Industry, Trade and Technology (Mr. O'Neil) and the Premier (Mr. Peterson) himself on the question of free trade, for example.

We had the Premier saying in the House that although he will veto any free trade package which has major detrimental effects on Ontario and jobs in Ontario, he is still hopeful that a free trade package which provides benefits to Ontario and Canada can be worked out. He said that in Washington and he said it again in this Legislature just last week.

At the same time, as a result of concerns raised by Canada's trade negotiator Mr. Reisman about the announced package of securities changes and how that was stealing a bargaining chip from the bargaining table, we have the Minister of Consumer and Commercial Relations saying, "That is okay, because we are not likely going to get a free trade package anyway."

It seems to me that with those kinds of mixed messages going out of this province and this country into the free trade negotiations, we are either ensuring that there will be no free trade package or that the overall Canadian position will be so confused that we will end up getting the shaft in that negotiating process.

It is a concern that I have and I think it is a concern that most of my colleagues have that this government appears to be inconsistent in the things it is saying, things which are obviously going to be assessed by both our own and the American negotiators. This securities package is one of those things which, in our view, provides a major inconsistency in the whole approach. Our view on the free trade question is fairly clear anyway, so if what this government does ensures that no detrimental free trade package is ever reached, then so be it.

What I am saying is that the confusing messages may put us in a position of ending up with a package, because of Mr. Mulroney's determination to get one somehow, that is going to be very detrimental to either this province or some other area of this country, just in order to achieve his determination to keep his promise on a free trade package.

With that, I will wrap up my comments by saying we do have very serious concerns about the totality of the securities package. Unfortunately, although the provisions it does set out are good ones, this bill does not deal with the other regulatory changes the minister has announced which we see as potentially very detrimental to Ontario.

Hon. Mr. Kwinter: I would like to comment briefly in reply to the member for Hamilton Mountain. He is correct that his comments do not refer to this particular bill, but I would still like to clarify the situation.

As the member may know, the day I announced that we were going to be small-l liberalizing the securities industry, there was a report out of Ottawa saying, in effect, that Mr. Reisman was the architect of Ontario's initiatives. It also stated that the Ontario Minister of Financial Institutions was opposed to this plan but that, under pressure from the federal government and Mr. Reisman, I conceded and allowed this proposal to go forward. Subsequent to that, there were reports that Mr. Reisman felt that our initiative was ill advised and was taking bargaining away from him.

When the member talks about mixed signals, the mixed signals are not coming from Ontario; they are coming from Ottawa. I would like to put on the record, because it is important, that we have a situation where this is not a bilateral issue. It is a multilateral issue. We are not talking about opening the Ontario securities market to the Americans only. We have great interest and indications and we are looking at people coming from Japan, London, Germany and all the other markets. This is very critical to keeping Toronto's position at the top of the second tier of the capital markets of Canada.

The other situation in dealing with this issue is that we have to deal with it in a way that is going to respond to some internal problems we have. The member should know, and I am sure he does know, that Quebec has an open securities market and has had it for some time.

Motion agreed to.

Bill ordered for committee of the whole House.

House in committee of the whole.

SECURITIES AMENDMENT ACT

Consideration of Bill 156, An Act to amend the Securities Act.

Mr. Chairman: Are there any questions, comments or amendments that members have to Bill 156 and, if so, to what section?

Hon. Mr. Kwinter: I will be moving amendments to section 6a, section 8a, section 11a and subsection 12(1a).

Sections 1 to 6, inclusive, agreed to.

1600

Mr. Chairman: Hon. Mr. Kwinter moves that the bill be amended by adding thereto the following section:

"6a. Section 75 of the said act is repealed and the following substituted therefor:

"75(1) No person or company in a special relationship with a reporting issuer shall purchase or sell securities of the reporting issuer with the knowledge of a material fact or material change with respect to the reporting issuer that has not been generally disclosed.

"(2) No reporting issuer and no person or company in a special relationship with a reporting issuer shall inform, other than in the necessary course of business, another person or company of a material fact or material change with respect to the reporting issuer before the material fact or material change has been generally disclosed.

"(3) No person or company that proposes,

"(a) to make a takeover bid, as defined in part XIX, for the securities of a reporting issuer;

"(b) to become a party to a reorganization, amalgamation, merger, arrangement or similar business combination with a reporting issuer; or

"(c) to acquire a substantial portion of the property of a reporting issuer,

"shall inform another person or company of a material fact or material change with respect to the reporting issuer before the material fact or material change has been generally disclosed except where the information is given in the necessary course of business to effect the takeover bid, business combination or acquisition.

"(4) No person or company shall be found to have contravened subsection 1, 2 or 3 if the person or company proves that the person or company reasonably believed that the material fact or material change had been generally disclosed.

"(5) For the purposes of this section, 'person or company in a special relationship with a reporting issuer' means,

"(a) a person or company that is an insider, affiliate or associate of,

"(i) the reporting issuer,

"(ii) a person or company that is proposing to make a takeover bid, as defined in part XIX, for the securities of the reporting issuer, or

"(iii) a person or company that is proposing to become a party to a reorganization, amalgamation, merger or arrangement or similar business combination with the reporting issuer or to acquire a substantial portion of its property;

"(b) a person or company that is engaging in or proposes to engage in any business or professional activity with or on behalf of the reporting

issuer or with or on behalf of a person or company described in subclause (a)(ii) or (iii);

“(c) a person who is a director, officer or employee of the reporting issuer or of a person or company described in subclause (a)(ii) or (iii) or clause (b);

“(d) a person or company that learned of the material fact or material change with respect to the reporting issuer while the person or company was a person or company described in clause (a), (b) or (c);

“(e) a person or company that learns of a material fact or material change with respect to the issuer from any other person or company described in this subsection, including a person or company described in this clause, and knows or ought reasonably to have known that the other person or company is a person or company in such a relationship.

“(6) For the purposes of subsection 1, a security of the reporting issuer shall be deemed to include,

“(a) a put, call, option or other right or obligation to purchase or sell securities of the reporting issuer; or

“(b) a security, the market price of which varies materially with the market price of the securities of the issuer.”

Hon. Mr. Kwinter: I have no comment.

Mr. Charlton: Very briefly, it is on the comment that I raised during second reading debate that we support this section and the effort here to try to deal with the question of insider information.

Motion agreed to.

Section 6a agreed to.

On section 8a:

Mr. Chairman: Hon. Mr. Kwinter moves that the bill be amended by adding thereto the following section:

“8a.(1) Subsection 118(1) of the said act is amended by striking out ‘and on summary conviction is liable, in the case of a person, other than an individual, or company, to a fine of not more than \$25,000 and, in the case of an individual, to a fine of not more than \$2,000 or to imprisonment for a term of not more than one year, or to both’ in the 21st, 22nd, 23rd, 24th and 25th lines and inserting in lieu thereof ‘and on conviction is liable to a fine of not more than \$1 million or to imprisonment for a term of not more than two years, or to both.’

“(2) Subsection 118(3) of the said act is repealed and the following substituted therefor:

“(3) Where a company or a person other than an individual is guilty of an offence under subsection 1, every director or officer of such company or person who authorized, permitted, or acquiesced in such offence is also guilty of an offence and on conviction is liable to a fine of not more than \$1 million or to imprisonment for a term of not more than two years, or to both.

“(4) Where a person or company has contravened subsection 75(1), (2) or (3) and the person or company has made a profit by reason of the contravention, the fine to which the person or company is liable on conviction shall be not less than the profit made by the person or company by reason of the contravention and not more than the greater of,

“(a) \$1 million; and

“(b) an amount equal to triple the profit made by such person or company by reason of the contravention,

“and subsection 1 does not apply in such circumstances.

“(5) For the purposes of subsection 4, ‘profit’ means,

“(a) if the accused purchased securities in contravention of subsection 75(1), the average market price of the security in the 20 trading days following general disclosure of the material fact or material change less the amount that the accused paid for the security;

“(b) if the accused sold securities in contravention of subsection 75(1), the amount that the accused received for the security less the average market price of the security in the 20 trading days following general disclosure of the material fact or material change;

“(c) if the accused informed another person or company of a material fact or material change in contravention of subsection 75(2) or (3) and received any direct or indirect consideration for providing such information, the value of the consideration received.”

Before we deal with this, perhaps we should carry section 7.

Sections 7 and 8, inclusive, agreed to.

Mr. Chairman: We are now dealing with section 8a, this new section that is added. Does the minister have comments?

Hon. Mr. Kwinter: No comments.

Mr. Charlton: I just have one brief question. Unfortunately, my colleague may have already asked this when he was briefed; I was not there for that. In subsection 4 of this amendment, where we are talking about the greater of \$1 million or three times the profit, am I correct in understanding this says that if, as a result of a

contravention, I make a profit of \$500,000, the maximum fine I can pay is \$1 million—I do not pay \$1.5 million in a fine; but if, by a contravention, I make a profit of \$200,000, I am going to pay the full triple the profit, or \$600,000, in a fine? Is that correct?

Hon. Mr. Kwinter: No, that is not the case. It is making provision that there will be a maximum fine of \$1 million for any contravention under this section. But, and to give members an example, when we go to the Ivan Boesky case, where he made a profit of \$100 million, the idea of this section is that if we said that the fine was to be a maximum of \$1 million, that would be like a licence; that would be no deterrent at all. What we are saying in that case is that he could be liable to a fine of \$300 million.

Mr. Charlton: That answers the question.

Hon. Mr. Kwinter: That is the basis for this.

Motion agreed to.

Section 8a agreed to.

Sections 9 to 11, inclusive, agreed to.

1610

Mr. Chairman: Hon. Mr. Kwinter moves that the bill be amended by adding thereto the following section:

“11a. (1) Subsections 131(1) and (2) of the said act are repealed and the following substituted therefor:

“(1) Every person or company in a special relationship with a reporting issuer who purchases or sells securities to the reporting issuer with knowledge of a material fact or material change with respect to the reporting issuer that has not been generally disclosed is liable to compensate the seller or purchaser of the securities, as the case may be, for damages as a result of the trade unless,

“(a) the person or company in the special relationship with the reporting issuer proves that the person or company reasonably believed that the material fact or material change had been generally disclosed; or

“(b) the material fact or material change was known or ought reasonably to have been known to the seller or purchaser, as the case may be.

“(2) Every,

“(a) reporting issuer;

“(b) person or company in a special relationship with a reporting issuer; and

“(c) person or company that proposes,

“(i) to make a takeover bid, as defined in part XIX, for the securities of a reporting issuer;

“(ii) to become a party to a reorganization, amalgamation, merger, arrangement or similar business combination with a reporting issuer; or

“(iii) to acquire a substantial portion of the property of a reporting issuer,

“and who informs another person or company of a material fact or material change with respect to the reporting issuer that has not been generally disclosed is liable to compensate for damages any person or company that thereafter sells securities of the reporting issuer to or purchases securities of the reporting issuer from the person or company that received the information unless,

“(d) the person or company who informed the other person or company proves that the informing person or company reasonably believed that the material fact or material change had been generally disclosed;

“(e) the material fact or material change was known or ought reasonably to have been known to the seller or purchaser, as the case may be;

“(f) in the case of an action against a reporting issuer or a person with a special relationship with the reporting issuer, the information was given in the necessary course of business; or

“(g) in the case of an action against a person or company described in subclause (c)(i), (ii) or (iii), the information was given in the necessary course of business to effect the takeover bid, business combination or acquisition.

“(2) Subsection 131(4) of the said act is repealed and the following substituted therefor:

“(4) Every person or company who is an insider, affiliate or an associate of a reporting issuer that,

“(a) sells or purchases the securities of the reporting issuer with knowledge of the material fact or material change with respect to the reporting issuer that has not been generally disclosed; or

“(b) communicates to another person, other than in the necessary course of business, knowledge of a material fact or material change with respect to the reporting issuer that has not been generally disclosed,

“is accountable to the reporting issuer for any benefit or advantage received or receivable by the person or company as a result of the purchase, sale or communication, as the case may be, unless the person or company proves that the person or company reasonably believed that the material fact or material change had been generally disclosed.

“(3) Subsection 131(7) of the said act is repealed and the following substituted therefor:

“(7) For the purpose of this section, ‘a person or company in a special relationship with a reporting issuer’ has the same meaning as in subsection 75(5).

“(8) For the purposes of subsections (1) and (2), a security of the reporting issuer shall be deemed to include,

“(a) a put, call, option or other right or obligation to purchase or sell securities of the reporting issuer; or

“(b) a security, the market price of which varies materially with the market price of the securities of the issuer.”

Hon. Mr. Kwinter: I have no comment.

Motion agreed to.

Section 11a agreed to.

On section 12:

Mr. Chairman: Hon. Mr. Kwinter moved that section 12 of the bill be amended by adding thereto the following subsection:

“(1a) The said section 139 is further amended by adding thereto the following paragraph:

“28a. respecting any matter necessary or advisable to carry out effectively the intent and purpose of sections 75 and 131, including, without restricting the generality of the foregoing, exempting any class or classes of persons and companies, trades or securities from any of the requirements of section 75 and from liability under section 131 and prescribing standards for determining when a material fact or a material change has been generally disclosed.”

Motion agreed to.

Section 12, as amended, agreed to.

Sections 13 and 14 agreed to.

Bill, as amended, ordered to be reported.

On motion by Hon. Mr. Kwinter, the committee of the whole House reported one bill with certain amendments.

PENSION BENEFITS ACT

Hon. Mr. Kwinter moved second reading of Bill 170, An Act to revise the Pension Benefits Act.

Hon. Mr. Kwinter: This act brings many important and welcome reforms for pension plans. One of the significant reforms concerns expansion of eligibility for pension membership. Full-time employees will be eligible to join their pension plan after two years of service, regardless of age.

Part-time employees will be eligible to join after two years of service if they have earned at least 35 per cent of the Canada pension plan's year's maximum pensionable earnings for two consecutive years. Currently, part-time employees have no right to join a pension plan.

Vesting and locking in is another key area of change. Benefits accruing after the effective date of the legislation will be vested and locked in, provided a member has two years' membership in a pension plan irrespective of the employee's age. This replaces the current 45 and 10 rule.

Under the provision for minimum employer contribution, employers will be required to fund, at termination, retirement or death, at least one half of a member's benefits accrued after the effective date of the legislation.

Provision has also been made for prescribed rates of interest on employee contributions on termination of employment, death or retirement. This will ensure plan members will benefit from investment earnings.

As well, to permit early retirement, employees within 10 years of the normal retirement date will be permitted to take reduced pension upon early retirement.

Portability is a provision of immense benefit for those who, for any number of reasons, change jobs at a time during their working life. Those workers will be able to maintain and control their accumulated pension.

Pre- and post-retirement survivor benefits will also be provided, and this will be of particular significance to women. Women tend to outlive their spouses, and without survivor benefits there is a great chance that they could live without adequate incomes.

In addition, pension plans will preclude discrimination on the basis of sex and marital status with respect to future benefits and contributions made after the effective date of the legislation, and plan members and their spouses will have the right to reasonable and regular disclosure of information respecting their benefits and obligations under their plan.

1620

Members of the House will recall that when I introduced this act I gave January 1, 1987, as the target date for pension reform. It is still our intention to have as many provisions as are feasible effective on that date. As promised, the Pension Commission of Ontario has advised interested parties of the provisions, which will be effective as of January 1, 1987, including several which will be addressed by a change to regulations under the existing act. The provision of benefits payable to the surviving spouse upon the death of a plan member cannot be discontinued upon remarriage. It will be fully effective as of January 1, 1987.

The following provisions found in the new legislation have been addressed through a change

in existing regulations and apply to all pension plans as of January 1, 1987: reasonable interest on employee contributions when they are refunded—the initial rate has been set at 6.5 per cent; a moratorium on surplus withdrawals from active pension plans; the right of plan members and their spouses to reasonable and regular disclosure of information respecting their benefits and obligations under the plan. Reduction of pension benefits by old age security benefits will be prohibited. In addition, any reduction of pension benefits from the Canada pension plan must be restricted to the portion of CPP earned during the period the private pension was earned.

Other provisions that will apply, effective January 1, 1987, to members in the pension plan on the date of proclamation of the new Pension Benefits Act are: vesting and locking in of post-reform benefits after two years of plan membership; portability of all plan benefits on termination of employment or plan membership prior to retirement; minimum employer costs of 50 per cent of post-reform benefits; minimum pre-retirement spousal death benefits; and prohibition of discrimination on the basis of sex and marital status.

I believe this Pension Benefits Act to be a strong and socially responsive bill. It is based on the federal-provincial majority consensus and is the result of widespread consultation not only with governments across Canada but also with plan members, sponsors and industry.

In placing this bill before committee for public hearings and clause-by-clause review, which I recommend, we are providing full opportunity for members to debate the issues on their merits after hearing from those who may be affected.

I wish to remind members this government is committed to the introduction of mandatory inflation protection for pensions. To that end, we have established an external working group to determine the most appropriate formula and phase-in procedures for inflation protection. I remind members that during this working group's deliberations, the moratorium on surplus withdrawals will stay in place. It is important to recognize that the issue is not whether we will have inflation protection, but rather what is the best mechanism for implementing it.

As the province with the majority of pension members, and as the first province to commit to taking action on inflation protection for pensions, it is incumbent upon us to develop a good, well-reasoned implementation mechanism and to ensure a standard that is achievable. Indeed, we also have the opportunity to forge a new

consensus with other governments advocating responsible and reasonable actions in this area. Any hasty, unknown and untested action in this regard could have a negative impact on current pensions and, further, it might discourage the establishment of new pension plans.

A balance must be reached between the goals of setting minimum standards for pensions and striving to expand the numbers of persons covered by private pensions. I therefore urge the members to support our strategy for the implementation of inflation protection. We must not take the risk of acting without adequate information, nor should this one issue delay the implementation of the many other significant and welcome reforms in the new bill. Reform of the rules governing pensions will affect over 1.8 million Ontarians. Provision of security for their retirement years is of major social and economic importance, so I urge the members to support the many important reforms represented in the proposed Pension Benefits Act.

Mr. McClellan: I have two questions of the minister at this point, and, of course, we will have dozens of questions when we get to committee stage.

First, the minister alluded to this in his second reading address, but will he state very clearly the way he intends to deal with the implementation date when this legislation is passed? The bill calls for a January 1, 1987, implementation date because of the lateness in having the bill introduced in the Legislature. It was not given first reading until December 9, 1986. We are already a month behind that deadline, and we have just begun to work on the bill.

Second, I wonder whether the minister can comment on the report by the Treasurer of Ontario in April 1984, particularly appendix C, which outlines the cost projections and the impact of inflation and inflation indexing on pension costs; whether he is familiar with that document; and since the same officials are in the Treasury now as were in the Treasury then, whether he believes that an accurate set of projections is set out in the previous government's pension document.

Mr. Warner: I wonder whether the minister could point me to precisely the portion of the bill that protects against the withdrawal of surplus pension funds. I understand what he said about the moratorium, but this is a separate item. I want to know what protection is in the bill that would prevent the withdrawal of surplus pension funds.

In particular, as the minister knows, there is a number of different circumstances. If it is of any

help to him, I am thinking especially of the case where a company has been sold, the MAN Lepper company fiasco, for example, where the company was sold and the owner had it for one day, and because he had it for one day, withdrew the surplus of \$1 million. I wonder what specific section of the bill provides protection against that kind of thievery.

Mr. Runciman: I think it might be interesting too if the minister could comment on why, after a year and a half in office, he has established a task force or a working group to look at how to implement mandatory indexation when he knew some time ago that both parties on this side of the House were supportive of mandatory indexation. I wonder why it has taken this long to come up with the establishment of a working group.

Hon. Mr. Kwinter: To address the concerns of the member for Bellwoods (Mr. McClellan) about the implementation date, what we expect to do and what we have done is we have informed the industry and we have informed everyone with private pension plans who will be affected that we are going to make many of these provisions effective as of January 1, 1987. They have been put on notice that these implementation concerns will be done. We will be bringing forward changes to the existing regulation, by regulation, very soon. This will give effect to that.

To address his concern about the report of 1984 from the Treasury, one of the reasons we have a problem is that report—and I assume the thing the member is referring to is that it states it would be one per cent of payroll to provide mandatory inflation protection. I do not know whether it is in that report, but that certainly is the figure I have heard and that was what it was to be. The only problem with that is that when we have talked to industry and have talked to people, they say, "That might be so on average, but nobody can justify it."

What we want to do, and the reason for this working group, is to find out what the true cost is of providing mandatory inflation protection and how it is going to work.

The member for Scarborough-Ellesmere (Mr. Warner) talked to me about withdrawal. It is not in the act, but we have put a moratorium on withdrawal. But surplus withdrawals are covered in the act, and under the regulations of the pension commission, at present surplus withdrawals cannot be considered unless there is 125 per cent of the actuarially determined obligations to the fund and provided it is contemplated in the agreement.

1630

Mr. Runciman: I want to put a few comments on the record. Our party has what has been described as a stellar reputation for sound, comprehensive pension policy. We have always worked to ensure that the people of Ontario, through their governments, have an adequate income during retirement years.

I think it is important to note, and I think even our friends to the left will acknowledge, that the Leader of the Opposition (Mr. Grossman) is viewed by many Ontarians as the driving force in pension reform. He was the chairman of the federal-provincial committee and he chaired that meeting on pensions in June 1984. At that time—

Mr. D. S. Cooke: I think you have been smoking something illegal.

Mr. Runciman: The member's House leader referred to a report that has that gentleman's name upon it. In June 1984, consensus was reached in a number of problem areas, and legislation was in its final stages, but that consensus appears to be in jeopardy. I will quote from an article by David Stouffer, a principal with William M. Mercer Ltd.:

"The consensus achieved by the provincial and federal officials on changes to pension legislation was expressed in Ontario's draft Pension Benefits Act, Bill 170. It was hoped that this bill would be adopted as the standard for content and style. However, as we watch the other provinces put forward their legislation, it becomes apparent this was only wishful thinking. In fact, when all is said and done, the prospect of complete uniformity could be even more remote than it was originally."

I suspect the inflation protection initiatives now being undertaken will also have a direct effect on that consensus.

I mentioned, and obviously the minister did not have an opportunity to respond, that we are supportive of mandatory inflation protection and have been on the record with such support for a considerable period of time. We agree with his initiative in terms of establishing a working group. Our concern, which I expressed when it was announced, was the fact that it has taken them over a year and a half—the time this government has been in office—to take action, when they knew full well that both opposition parties were supportive of mandatory indexation. It is really inexcusable that the government has taken so long to bring in these vital reforms.

Moreover, we are disappointed to see that the government has failed to address adequately very real issues of pension reform: namely, ownership

of surplus funds and indexation. The unprecedented growth of surplus assets in Canadian pension funds has set the stage for a classic confrontation between management and employees, and placing a moratorium on surplus withdrawals does little to solve the real problem facing unions, workers and management.

This issue of surplus funds is clouded by many things, not the least of which is the different ways in which surpluses can be defined. It is further complicated by the fact that at least four factors give rise to surpluses.

The first of these is an exceptionally high investment return, and a quick look at economic history reveals that only once in the past 50 years has a typical pension fund asset mix yielded a real return as high as six per cent per annum over a 10-year period. This is in stark contrast to the mid-1970s, which witnessed some of the lowest real returns in the last half century.

The second factor contributing to the current spate of surpluses is the recent recession, which prompted many organizations to trim their work forces substantially. This has also meant leaner pension liabilities.

Deliberately cautious actuarial assumptions that were aimed at building a cushion against bad times is the third primary factor, just as work forces were trimmed during the recession that forced many companies to release these margins, a move that revealed hidden surpluses.

The fourth and final factor contributing to surpluses applies only to final average plans that are being wound up. In cases such as these, benefits are frozen to reflect current, rather than future, salaries. This does not apply to ongoing plans, from which surpluses are withdrawn, as their ongoing liabilities include salary projections.

The battle over surplus ownership that is being fought in the press and across the floor of this House rarely includes any realistic appraisal of exactly what a surplus is and where it comes from. This is unfortunate, as the issue that is really at stake involves defining liabilities. Not until that is done to the satisfaction of both employer and employee will the current debate be resolved.

On this side of the House, we are anxious to hear the government's plans. We would like to express our views on the topic in committee. As we sit here, developments in pension reforms are occurring in the business world that should be reflected in the legislation. I am referring specifically to the settlement announced earlier this week that roughly split a \$60-million pension

surplus between the pension plan members and Dominion Stores or Domgroup. I am not sure what the corporate name is.

Moving back into the area of indexation, there is the minister's appointment of yet another task force. We believe he has waffled on this issue for some time and has finally decided to take some action. If he had created this working group a year ago, perhaps the legislation we would all like to see in this House would be before us on this date. A number of times when we have issues of importance before the Legislature, we find, as we do in this situation, that all three parties are supportive of the initiative. We may have some difficulty with certain aspects of it, but all three parties support the principle of mandatory indexation.

There are a lot of organizations and individuals out there in society who have a great deal of difficulty with the concept of mandatory indexation. I am going to take this opportunity to put a few of those points on the record because it is appropriate that it be done at this stage. I hope they will also have the opportunity to appear before a committee of this House to explain their views on this very critical subject. I am quickly going to go through some of the concerns of the Canadian Manufacturers' Association which opposes mandatory inflation indexation for the following reasons as spelled out by it:

"Actuarial costs are estimated at one to four per cent of payroll annually. Ontario companies cannot afford cost increases of this magnitude in the face of global competition. Only retirees from companies with the best pension plans will benefit. Inflation indexation makes the rich richer and the poor poorer and does nothing for the 70 per cent of Ontario workers without private pension coverage.

"Supporting the national consensus, CMA member companies are already accepting considerable added costs. It is important that one system be implemented throughout Canada to provide uniform benefits for Canadians and minimize duplication of administrative costs. Many manufacturing industries are highly cyclical in nature and require the flexibility to top up their pension funds in highly profitable years while making smaller contributions in periods of losses. Inflation indexation funding requirements could exacerbate the downturns for many companies.

"Excessive costs of inflation indexation will deter companies from introducing new defined-benefits pension plans." That is a very important

one that has to be given careful consideration as to how it can be overcome.

"Tax reform with potential shifts in the tax burden away from personal income tax to payroll, corporate and consumption tax could impose new and added cost burdens for Ontario business. Pension indexing must be studied in conjunction with the cost impact of tax reform. Offshore competitors, either in their home countries or in the transplanted Canadian operations do not face the same pension burdens as older, established Canadian operations.

"At a time of intense global competition, the CMA does not want to unnecessarily disadvantage established Canadian business. With current uncertainties about inflation protection and with the current low rate of inflation, the pension indexing issue should not proceed without further focused study to assess the need for and cost of this initiative in conjunction with the cost of other government priorities." I am not sure whether that particular aspect is part of the mandate of the working group.

1640

"This continued study should not delay the implementation in Ontario of the federal-provincial pension reform consensus. While disclosure requirements for surplus funds withdrawal might be tightened and minimum levels of funding codified, employers must retain the opportunity to withdraw surplus funds resulting from superior pension fund management.

"The CMA believes that once the federal-provincial consensus is implemented, the focus of pension reform legislation should be on broadening private pension coverage to include the majority of Ontario's workers rather than driving an economic wedge into our society through inflation indexation."

These are very valid concerns expressed by a very important group in our society. Obviously, they should be listened to carefully and given every opportunity to express their concerns. We hope, as members of this House, to be able to convince them of the merits of mandatory indexation and perhaps recognize some of their valid concerns in the final legislation that comes before this House.

It is important to Conservatives that any changes that are made to pension policy be fiscally responsible in terms of their costs to government and taxpayers, to employers and employees and to individual contributors. I believe the majority of people in Canada want the freedom and flexibility to manage their own affairs and their own money, to negotiate their

own pensions with their employers and to plan for their own retirement in their own way. They do not want government to take away large portions of their income and determine all their pre-retirement and post-retirement priorities for them.

This kind of pension reform, this kind of ability to respond to changing conditions and expectations, to improve the way in which government meets its obligations and responds to the changing needs and demands of its people with scope for individual freedom and commitment to fairness, has long been the key to the Progressive Conservative approach to pension policy.

Our stand on pension reform reflects those beliefs. Canadians want, and rightfully deserve, fundamental and far-reaching changes to Canada's pension system.

Mr. McClellan: We have been waiting a long time for this piece of legislation, and I want to take a minute to describe a little bit of the background. The previous speaker alluded to the rabbit-like speed—I believe that was his very phrase—of his leader in dealing with the pension issue. It is important that we remember how long the previous Tory government and the present Liberal government have been dragging their feet on the issue of private pension reform.

In 1980, the government received a report of the Royal Commission on the Status of Pensions in Ontario, which started by saying—I do not have the document here, but I think I remember the first line verbatim—that Ontario has no pension system in place. The situation was described as chaotic, and seven years later, we are finally seeing legislation that came out of the condemnation of our pension system by the royal commission.

Mr. Haggerty: Ten years after the Haley report.

Mr. McClellan: I am talking about the Haley report.

Mr. Haggerty: It was 10 years ago, in 1977.

Mr. McClellan: I think it was a little later than that, but be that as it may, I will not quibble over the amount of time.

The previous government responded to the Haley commission by establishing a select committee of the Legislature. One of the members of the select committee was the present Premier (Mr. Peterson). I had the opportunity to serve on that committee, along with a number of my colleagues. We made our first report in 1981 and our second and final report in March 1982.

We set out a program that any government could easily have implemented because it was, strangely enough, a three-party consensus with respect to the major areas of reform. I must say that the consensus extended beyond the members of this Legislature to virtually everybody who appeared before the committee, including many representatives from the business community and the finance industry.

One of those areas of consensus in 1981 and 1982 was on the need for mandatory inflation protection of private pension plans. We could have had legislation passed by this assembly in 1982, and the 1.8 million workers in this province that the minister referred to who have pension plans would have had inflation protection during the worst ravages of hyperinflation in 1983 and 1984.

No, we are just beginning to do the work that was set out by the royal commission and then by the select committee. The response of the government of the day was, "We cannot do it because the federal government is setting up its own task force." Then the federal government set out a green paper. Then there was a series of consultations on the task force on the green paper.

Then, when we got to 1984, the member for St. Andrew-St. Patrick (Mr. Grossman) announced the federal-provincial consensus and produced a very interesting document called Ontario Proposals for Pension Reform, which, I must say, in many respects still stands up very well in 1987. There are a lot of very sensible comments in that document. There are a number of very fine recommendations. I am going to be referring to some of the comments, some of the analysis and some of the recommendations.

The only thing the member did not do was take any action on this excellent series of recommendations. April 1984 was a full year before he and his colleagues were turfed out of office. If it was such an important agenda item for the member for St. Andrew-St. Patrick, one would have thought we would have seen draft legislation. In fact, we would have expected that it could have been passed.

That is all water under the bridge, but I intend to remind my Conservative colleagues of the very strong pro-pensioner sentiments that are contained in the former Treasurer's 1984 document and in the very strong arguments he marshalled in favour of inflation protection and in favour of an end to surplus pension fund withdrawals.

When we get to committee, I expect my Conservative colleagues to rally behind the sentiments expressed by their present leader when he was Treasurer in 1984 and to accept our amendments bringing in mandatory pension inflation protection and putting an end to the theft of workers' pension funds through surplus pension fund withdrawals.

I expect those amendments to carry when we get to committee, not because of weight of numbers in a minority parliament, but because of the weight of the logic of the argument of those who say: "Inflation protection is absolutely essential, and we are not going to wait for another task force. We have had the royal commission. We have had the select committee. We have had the federal task force. We have had the federal green paper. We have had the Ontario white paper. We do not need another task force. What we need is legislation that gives workers in this province the right to protection in their pension benefits against the ravages of inflation."

1650

The bill is before us now. I was not elected to deal with task force reports or to postpone, put off, stall or delay. The legislation is before this assembly now. We intend to do our job and to craft amendments that will bring inflation protection to the workers of this province and give them, for the first time, an unqualified right to all the money in pension funds. We want to get rid of the silly notion that moneys contributed in the form of deferred wages somehow can end up in the pockets of people like Conrad Black or the man who bought MAN Lepper to get hold of workers' pension funds.

Very simply, there is going to be an amendment to Bill 170 that deals with the issue of surplus pension fund skimming, the legalized theft of workers' pension funds, pension fund withdrawals or however we want to describe it. The minister knows as surely as he is sitting there that the kind of action that Conrad Black took in 1985 is morally wrong. Conrad Black went to the superintendent of insurance in 1975 and said, "Dear Superintendent, I would like to take \$78 million out of the Dominion Stores workers' pension fund. I own Dominion Stores and the law says that anything in excess of actuarially valued funds plus 25 per cent is surplus and belongs to me."

The commission said: "No, Conrad, you cannot take \$70 plus million out. You can only take \$38 million out." This is the regulatory agency of Ontario operating with legislation that was so flimsy that it could not protect the

Dominion Stores workers from a \$38-million grab by Conrad Black. The money in that fund did not belong to Conrad Black. That money belonged to the Dominion Stores workers. It was their wages, and workers in this province have a right to pension legislation which simply says that money in pension funds belongs to those who own the pension funds, that is, the workers. It is workers' wages.

We can talk about reconciliation of accounts. If employers have annual service contribution liabilities that exceed contractual obligations, there are ways of making reconciliations, and the minister knows that. There are cyclical audits, I believe on a three-year cycle, and the opportunity for reconciliation if an employer has to pay an extraordinary amount of money over the short term. There are ways of reconciling that over the long term, and the minister knows that.

It is essential that the legislation clearly state the statutory entitlement of workers to sole and exclusive benefit, either in the form of pension benefits or in the form of inflation protection. I want the attention of my Conservative colleague, if I can—I may not get it—because I am about to read from the sacred words of his leader set down in April 1984 on page 43 of the report. As Treasurer of the day, the member for St. Andrew-St. Patrick, said as follows:

"Ontario's proposed employment pension reforms encompass the view, held by the majority of Canadians, that pensions are deferred compensation. This concept means that pensions are a part of total compensation and belong to employees, regardless of whether they are short-service or long-service, or whether the plan is contributory or noncontributory. Also, inflation-induced investment earnings should be used to finance inflation protection for pension plan members."

What could be clearer than that? "Inflation-induced investment earnings"—which is another way of saying money in surplus accounts—"should be used to finance inflation protection for pension plan members."

Mr. Warner: Did Larry say that?

Mr. McClellan: He said that. He then went on to document the effects of inflation and the lack of mandatory inflation protection on retirees' income. I quote as follows, because it is very punchy stuff. The member has a way with words. He continues:

"Inflation erodes the purchasing power of pension benefits fixed in nominal terms and this can impose severe financial hardship on pensioners. During the 10-year period 1972 to 1981,

prices increased by an average of 8.8 per cent annually, and the real value of a pension payable in 1972 declined by 57 per cent. Even at low rates of inflation, the value of fixed pensions will decline significantly. Over 10 years, a three per cent annual inflation rate will erode the value of a pension by 25.6 per cent."

Those are the views, not of a rabid socialist, but of a former Conservative Treasurer of Ontario. This is a wonderful document, and I know every Conservative is going to rush right out to the Ontario Government Bookstore and buy a copy of it. Apparently they have all been destroyed; they are no longer to be found in the Ontario Government Bookstore. I guess that is because it is such a revolutionary document, they did not want it corrupting the morals of Canadian youth. I have a dog-eared copy and will be pleased to make Xerox copies for anybody who wants to read further.

Mr. Runciman: Maybe you should read it.

Mr. McClellan: I am reading it.

Mr. Runciman: You have already misquoted it.

Mr. McClellan: What did I misquote? I will be glad to yield the floor if the member feels I have misquoted. This is permissible under the standing orders; I can yield the floor and the member can ask me a question.

Mr. Speaker: That is true. Does the member have a question?

Mr. Runciman: I thank the member for the opportunity. At the outset, he mentioned that our leader had endorsed the idea of turning over plan surpluses to the employees. I certainly have not studied this report at length, as he indicates he has, but, on page 51, it states, "Finally, subject to the approval of the Pension Commission of Ontario, the sponsors could withdraw surpluses from their plans." It seems quite clear to me the member for St. Andrew-St. Patrick was not endorsing what the member for Bellwoods suggested he was endorsing.

Mr. McClellan: I draw the member's attention to appendix C on page 87 of the report. I think that is the right section.

Mr. Breaugh: Could there be a small disagreement in the Tory ranks between the extreme right and the moderate pinko section? Is that possible?

Mr. McClellan: I do not know and I certainly do not want to misquote the former Treasurer. That would be very unfair. But I think it is also important to review the material set forward in appendix C having to deal with the impact of

inflation protection formulae on pension costs. There is a discussion of long-term costs and short-term costs.

1700

It is quite fascinating that the Treasury and Treasury officials have done a cost projection of what would be the cost impact of mandatory inflation protection, indexed first at the level of 60 per cent and then at the level of 100 per cent. The cost impact of indexation at the rate of 60 per cent of the consumer price index is a negative impact. Even if inflation were to rise to hyperinflated levels of 12 per cent, the study indicates there would not be an increase from the cost at zero inflation.

If pensions were indexed at the level of 100 per cent of the CPI, there would be no increases in costs until after inflation had reached the level of six per cent. The explanation was quite simple: What we are looking at is the impact of inflation on pension fund earnings. These offsets have been documented by the Treasury officials and have been set out.

There are a number of options for the government to consider, and it does not need a task force to do that when it has the resources of the Ontario public service—the Treasury and the minister's own ministry. We do not need a three-person task force to do this, unless we are anxious to postpone making a decision; unless we are trying to escape from having to do the kind of hard work that is necessary to come forward with an inflation protection amendment.

Between the Treasurer's old proposal of a 60 per cent indexed formula and what I think is an entirely reasonable 100 per cent inflation proposal, there is opportunity for discussion and dialogue and amendment, particularly when it is clear that even a 100 per cent cost-of-living formula based on the CPI would not begin to escalate costs until after inflation had exceeded six per cent. Those are long-term costs we are talking about.

The Treasury also has a number of suggestions about how to deal with the short-term cost impacts of extraordinary or unexpected liability and comes up with a number of very sensible suggestions, an eight per cent cap and a number of other suggestions that are set out in the document.

The minister is going to have to explain, either now or in committee—since the basic work in preparing Bill 70 had already been done before he even assumed office and the detailed economic analysis and the cost impact studies had been done by the Treasury as long ago as April

1984—how it can possibly be that it took him from May 1985 to February 1987 to come in with a piece of legislation; why he still has not been able to come forward with an inflation protection proposal or a solution to the problem of surplus pension fund withdrawal, and why he found it necessary to appoint yet another task force to put off the process of reform for yet another year with no guarantee at all that at the end of that period there would be any legislation forthcoming.

I say to the minister and to my colleagues in this House that the only guarantee is the work we do while the Pension Benefits Act is before us now and in the spring. There is no assurance that this act will come back when it has been passed and taken away. There is no assurance that this minister will still be the minister. There is no assurance of anything in this crazy world of politics except that the bill is in front of us now and the job to rewrite the Pension Benefits Act is before us now.

The amendments should be forthcoming now. Since they have not been developed by the minister, I can tell him very simply yet again that we will put forward amendments. I expect to have the support of my colleagues in the Conservative Party because their leader is on record as being in favour of the principle of mandatory inflation indexing and the use of surplus pension funds for that purpose. It is as simple as that.

I say to the minister in all seriousness that between now and the middle of March or April, when we get down to the committee stage of this bill, he had better send his officials back to work, because we are not going to wait for a year. In my view, that would be utterly irresponsible and a shirking of our responsibilities as legislators, so he should get his officials to work. He seems to have accepted, in principle, the idea of inflation protection. He had better start drafting his own amendments or counterproposals, because the amendments are coming down the pipe and the train is leaving the station today and will be crossing the minister's desk in about a month.

After all the work that has been done over the past decade, I think it is not beyond the wit of the members of this assembly and the officials of his ministry and the Ministry of Treasury and Economics to craft amendments that will guarantee social justice to retirees in this province and bring about mandatory inflation protection. I am confident that if we cannot do it with the minister, we can do it without him. It is as simple as that.

A number of other items in this Pension Benefits Act are the source of considerable disappointment and call into question the commitment of this Liberal government to the process of social reform. For example, the minister mentioned in his leadoff that we are going to have two-year vesting. That means, according to the bill, and according to what most people understand, that after two years of service, workers will be entitled not only to their own share of pension contributions but also to the company share as well.

What most people do not realize—I still get phone calls, and I have had phone calls as recently as this week, from people who do not realize this—is that the two-year vesting rule does not take effect until January 1, 1987, and that all pension funds contributed prior to New Year's Day, 1987, will continue to be subject to the old rule of 10 years' service plus age 45. I bet most members of the Liberal caucus do not know that.

I bet most members of the Liberal caucus thought their government's pension reforms were bringing in two-year vesting that would be retroactive and that all members of a pension plan today would automatically be entitled, after two years' service, to receive the company's share of their pension contributions. Surprise, surprise. That is not the way it is at all. That is not the way the minister wrote the bill.

1710

The minister, the government and the cabinet have decided that vesting will start only for new contributions as of January 1, 1987. That means thousands of workers will not be able to receive the company's share of their contributions. We know from the work of the select committee that under the archaic 10-and-45 vesting rule, only a tiny fraction—as low as 15 to 20 per cent—of workers in this province ever collect a dime in pensions because of mobility, people moving from job to job. Every time they move, they lose the company's share.

That happens in my riding of Bellwoods, where most people work in the building trades and work usually for no more than three or four years with one contractor. Everybody pays into a pension plan, nobody contributes and this bill will not do a damned thing for them unless the minister makes two-year vesting apply to all pension members. I think that is an entirely reasonable position, as the minister knows; I have spoken to him about this. I would be very surprised if the government kept the 10-and-45 rule, because the minister knows as well as I do that when an unvested pension plan member

leaves a company and receives his or her own contributions back, the company's share stays in the pot, ends up as actuarially surplus funds and can be siphoned off.

I know the minister also understands that the cost impact of putting two-year vesting on a universal basis is negligible.

For the life of me, I do not understand why it is in there. I am sure the minister will take it out. If he does not, I am sure my Conservative colleagues will want to move their own amendments to make two-year vesting apply to all pension members in Ontario. We would be happy to support those amendments when they come forward, because they would be so sensible, so progressive and so consistent with the spirit of the document written by the member for St. Andrew-St. Patrick in 1984 when he was Treasurer of Ontario.

Mr. Ferraro: Your guts must be churning.

Mr. McClellan: I do not think my guts are churning, but I wonder about the minister, because again I think there is a majority of members in this Legislature who believe the two-year vesting idea is very sensible. Perhaps it needs to be separated from locking in. We can talk about that. Maybe it does. I do not think it does, but maybe we will talk about it. I am sure we will have dialogue and discussion, but we want two-year vesting to be universal. The minister had better get used to the idea and perhaps even develop his own amendments, which we would be pleased to support.

A third area where the government promised reform and has failed to deliver is with respect to part-timers. I do not know why the government picked the figure it did to establish the eligibility of part-time workers of 35 per cent of the yearly maximum pensionable earnings of the Canada pension plan. That requires an income that is about 30 per cent above the minimum wage, an income of about \$9,000 a year. It will exclude vast numbers of people and really makes no sense. We will be putting forward amendments that base coverage of part-timers on hours of work, not on some magic figure dreamed up in somebody's computer, which excludes more people than it covers.

The final area on which I want to put the minister on notice has to do with the management of pension funds. It surprises and amazes me that, at a time when everybody except the most reactionary Neanderthals understands that pension funds are deferred wages, the government has not made it possible for pension plan members, simply on request, to obtain joint

administration, management or trusteeship of their pension funds.

I think the minister intends to leave that to the realm of collective bargaining, so the strength of a bargaining agent will determine whether a group of workers have some control over their own property. That is exactly what we are talking about. Who will control somebody else's property? I think there need to be provisions in the legislation that make it possible for any group of workers to enter into a joint trusteeship of a pension fund simply upon request and meeting whatever criteria the regulatory authority may wish to set down. It should not be a matter of bargaining strength versus bargaining weakness or the whim of this employer as opposed to the generosity of that employer.

I know, for example, that the Amalgamated Transit Union runs its own fund, sets its own contribution rates in consultation with management, makes its own investment decisions and decides, on a year-to-year basis, how much money needs to be put into the fund to provide decent pension benefits for future retirees and inflation protection for those who are already retired.

The minister needs to understand that if we are to get to a pension regime that truly builds in inflation protection, it will be essential to involve the owners of the property in the management of the property, to involve the workers in the management of the pension fund and in participating in decisions about contribution rates, rates of earnings and the distribution of benefits between current members and retired members.

The old days of semi-feudal paternalism, when the company would not even acknowledge that the pension money belonged to the workers, was workers' property, let alone permit them to join in the management of that property, are over. Goodbye to those days. If the minister does not understand that, perhaps he should be looking after another portfolio. I suspect the minister does understand that very clearly. I am sure one thing the minister understands is property and the rights of property.

It is very ironic that a socialist has to stand here and make this speech, because we are talking about property and the rights of property. We are talking about workers' property, the rights to that property and the right to control that property. It is so ironic that when it serves their purpose and their own special friends, the so-called defenders of private property, the free enterprise parties, ignore the rights of property entirely and pretend

that what belongs to one group of people actually belongs to somebody like Conrad Black.

That is exactly what this is all about.

Mr. Haggerty: He is not in the red, is he?

Mr. McClellan: Conrad Black is the one who goes to the little *têtes-à-têtes* and soirées of the Premier, as he did with the previous government. Conrad Black knows which side of the bread the butter is on. When they turn over the slice and butter the other side, Conrad Black slides over with it. That is what he has done. When it serves his purpose, the great defender of private property, who writes his monthly columns in the *Globe and Mail* about the sanctity of private property, is prepared to buy a company in order to get his hands on the workers' property invested in their pension funds.

We have had sufficient debate in this Legislature over the last 19 months that I do not think there is anybody in the House, and very few people in this province, who has not heard about the great pension debate. It all hinges on this question of who owns the money in the pension account.

1720

No matter how we slice it or dice it or how many task forces we appoint or how we try to dodge or try to escape or get off the hook, the minister is going to have to come to terms with the fact that this is not somebody else's money. This is not company money, this is not employers' money, this is not corporation money; these are wages that people have earned which have been put into an account on their behalf. That money and the earnings of that money, the interest earned by that money while it is in an account, belong solely and exclusively to the workers who own it. It is as simple as that.

If the government cannot deal with that simple, moral fact, then it has a serious political problem, because there is no one in this province from Kenora to Cornwall who does not understand the fundamental morality of what I have just said: Every dime in a pension fund is the property of the workers, every single dime, and it cannot be used for any other purposes except to provide them with pension benefits and inflation protection.

Despite the complexity of actuaries, the arguments are really very simple, very basic and very fundamental and, for a change, very black and white. This is one of the few issues that really is black and white. One either stands with the Conrad Blacks or the Sinclairs of this world or one does not. It remains to be seen where this

minister stands, because he has been dancing around the issue now for 19 months.

I believe my colleagues in the Conservative Party, on this issue, understand the fundamental morality of the issue and are going to support the kinds of amendments my colleagues and I will be putting forward. They may even surprise the minister and beat us to the punch and put forward their own amendments. If they do that, we would be pleased and delighted to support those amendments. We will have to wait and see.

Finally, I want to say to the minister, to reassure him, that this item has flowed from the accord that was signed in May 1985. I think I even have my copy of the accord around here somewhere. Here it is. It just happens to be here, *An Agenda for Reform*, May 1985, document 3, "Private pension reform based on the recommendations of the Ontario select committee on pensions."

We are anxious to see this—

Mr. Barlow: Who wanted that; the NDP or the Grits?

Mr. McClellan: We wanted it. We wrote everything that is in the accord; I want the member to know that. There were no ideas that did not come from the New Democratic Party.

Mr. Callahan: The member is so modest.

Mr. McClellan: It is true. What can I say?

I want to assure the minister we are anxious to see this bill passed into law. We do not intend to delay it; we do not intend to hold it up. We have a schedule that the three party whips have already developed that will permit us to have public hearings in March and April. I can assure the minister there will be no undue delay, either at the hearing stage or in the clause-by-clause consideration.

I see no reason Ontario cannot have a new Pension Benefits Act passed into law by the end of April or the early part of May 1987. That is a thoroughly reachable target. I can also say to the minister he had better start getting used to the idea. Consistent with the spirit of reform the people of this province voted for in 1985, there are going to be some major amendments to Bill 170 and he had better accept it.

Mr. Speaker: Are there any comments or questions? If not, further debate?

Mr. Haggerty: I want to address myself to Bill 170, *An Act to revise the Pension Benefits Act*. I want to support the principle of the bill, take a good, close look at it and perhaps add a few of my concerns or comments in areas that I think the minister will consider.

I sat at negotiating tables a number of years ago as chief steward in an industry in Port Colborne. One of the main issues was to bargain for a good pension. It was tough back in those days, in the late 1940s and the early 1950s. When you went to the bargaining table, you often got a certain amount in wages. When it came to pensions, you could not get wages any higher than that because they said, "If we have to take into consideration a pension for employees, we have to take a look at the area of deferred wages," as they called them then. It still continues in that area.

I think about the tough times in the city of Port Colborne and its industries. People working in industry thought they had an exceptionally good pension plan. I think of the old government annuities. They said, "If you are earning \$1,200 a year, your pension at the end of the government annuities would bring you \$1,000." Everybody thought: "Oh boy, that is not too bad. I am losing only \$200," but there was no figure for indexing in there. I suggest many persons working in industry got burned in that particular type of retirement program.

There were many private corporations, such as insurance companies, that provided some protection to employees in industry. Their plans were not that great either. I can think of one insurance company. People thought, "We have a good insurance plan here, a good protection plan, a good benefit plan," and they found out on retirement day they would be lucky to get \$15 or \$20 a month. That is the type of program we had in pensions back then. I am hoping to see major improvements and there are some major improvements here.

The member for Bellwoods (Mr. McClellan) talked about the Haley commission. That was appointed 10 years ago, in 1977. I think about the select committee on pensions, which suggested the vesting period should be reduced from 10 years to five years. In this bill, the period for vesting in a pension plan will go down to two years.

Looking at that, one would perhaps say the minister should consider saying, "Let us go back 10 years in this area for vesting purposes, back to the intent of the pension reform back in 1977." I suggest that is a reasonable approach to take. I do not think it would hurt industries that much, because many of them are paying into it now.

I am glad the area of part-time workers is in the bill. It will give some pensions to persons who work part-time. With the way the industry is moving today and with the jobs that are being

made available in the service sector, I think we will find there is always going to be part-time work for a great number of Ontario employees or persons working in industry.

I think of the moratorium the minister has put on the matter of—I will use the word “stripping” because that comes to mind—stripping pension funds. I sat as a member of the select committee that dealt with financial institutions in Ontario. I remember a question I raised with the president of Brascan. I asked, “What is your position on this matter of taking some of the surplus pension funds?” He said, “I call it”—I guess one would not say stripping, but he used the word “stripping” anyway.

I said: “Perhaps that is a harsher word than I was thinking about in taking the surplus funds. Stripping is perhaps more like it, because that is what they are doing today. They are going into the pension funds where even in some cases they are showing a profit by stripping. You will find that not so much in Ontario but on the American side.”

1730

There was a good message in this area of stripping. I said to him, “Does any of that money not belong to the employees?” He said, “Under the Pension Benefits Act, we have a right to take that.” I hope there are going to be some changes made in this area so we can come back and say that at least they will get half of the share of the Dominion Stores pension fund, where finally there was agreement that each party receive \$30 million. I guess one would call it a pension victory for both sides and bitter sweet to the winners.

I suggest that one should look at the interest these financial institutions are making and the profit they are making on the investment of pension funds. In fact, one of them said, “We have paid no corporation tax since 1972 in this area.” I said: “What would you do without the insurance money available through the private sector? What would you do without the pension fund?” He said, “We would not have a leg to stand on.”

Members can see the investment that is being made on private pensions and even on insurance policies in Ontario, that it is a good market for investment and the investment dealers in this area. But where there is a windfall in pensions, such as there was in the Dominion Stores case through investment, a big percentage of that should go back to the employees.

In fact, the select committee on pensions, dealing with the issue of indexing of pension

funds to cover the cost of inflation over the years, recommended that “a benefit inflation adjustment be funded, using the excess interest approach.” Again, that recommendation should help control the cost for employees.

I thought that was a reasonable approach for the employees and, ultimately, the taxpayers of Ontario. If they use some of that excess interest fund to build up these pension funds, if they went that route, it would not cost the employees anything and it would not cost the taxpayers any money either.

I suppose when one looks at the cost to the taxpayers, if one looks at the pension benefit guaranteed, subsection 83(4) of the bill states: “If at any time the amount standing to the credit of the guarantee fund is insufficient for the purpose of paying claims, the Lieutenant Governor in Council may authorize the Treasurer of Ontario to make loans out of the consolidated revenue fund to the guarantee fund on such terms and conditions as the Lieutenant Governor in Council directs.”

There is a cushion there, a backup, one might say. If there is a default on pension funds or pension money available to employers, we can go to the consolidated revenue fund. As for the health and the wealth of some of these pension plans, I do not think we need that section in the act, if it is used in accordance with what the purpose is, that is, to provide a decent pension to persons working in Ontario in the private sector.

There is another area I have had some problems with, and I can relate it to a couple of industries that have wound up in Ontario and relocated in some other area and the windup of the pensions, where it takes four to five years to get the pensions for those employees who have worked there for a period of maybe 25 or 30 years. I suggest that someplace there should be some method to speed up this windup so these employees, when they are forced into early retirement, can get their pension fund to help them overcome the difficulties in losing their jobs.

The other area I am concerned about is the matter of the powers invested in the superintendent of insurance. I was fortunate enough to sit for a period of two or three weeks on the select committee dealing with pension reforms in Ontario. I was interested in listening to the Metropolitan Toronto Police on their pension program or plan. One force came in and said: “Do not touch our pension plan. We are happy with it because we have a right to say where that money is going to be invested.”

I believe even in the teachers' superannuation fund they were a little hesitant for the government to move into this area, because they have some right to say where that money should be invested. I think the same relates to the Ontario municipal employees retirement system. They have a board or body of both government and employees to say where that pension money should be invested.

Under the private pension schemes here, we have no policy or directions where the employee working for a company in the private pension sector has a right to say where that money should be invested. He has no right to say if the request is to dip into the surplus funds and the superintendent of insurance, based on his wisdom, says, "Yes, you can go this route." I believe those who contribute to a pension scheme should have some right and say where the money should be invested. They should have some say in the returns on that investment. If it has to be a two-way street where both parties share in the surplus, perhaps that is the area we should be looking at.

Again, I take a look at the two Supreme Court decisions on the matter of stripping of pension funds, where the court has said no to the industry or the corporation. They stopped it right there. The agreement finally with Dominion Stores between Black and the union was agreeable to the splitting of that \$60 million—\$30 million, I guess, both ways. I suggest that is one of the concerns I have in the proposal before us now. Those persons who contribute to the plan should have some right to say how that money is to be invested.

It should not be a one-way street, because these financial institutions are playing the market the world over. I am concerned about the security they may have if someplace along the line something went belly up and the pension fund was not viable. The minister should take a close look at this, because we are dealing with worldwide financial institutions.

When we talk about indexing, one of the difficulties I find with a number of industries that have closed their doors and laid off a number of employees is that they have what they call the company pension plan and they have the Canada pension plan but they cannot stack those, as perhaps other pension plans are permitted to do, like the members of the Ontario Legislature who are permitted to stack both pensions. For example, when a person goes into early retirement or retires from certain industries, as soon as he reaches the age of 65 and gets the Canada

pension plan, then the original pension is reduced considerably because he is able to get the Canada pension plan.

In that area alone, when we talk about indexation in the case of an inflationary spiral, by dovetailing both of them or stacking them, perhaps we may not have to have the index there. I do not know, but I am saying when persons are forced into early retirement or reach the age of 65 on a pension, their pension is reduced. We heard that today, for example, in the guaranteed annual income system program, where there was one transfer payment from the federal government and the other reduced because of getting a better handout from the federal government.

These are my concerns. I support the proposal put forward by the ministry. I am sure the minister may have some amendments. I am not sure, but I hope he does, so we can have a far better and workable pension reform bill before the Legislature. I support it in principle.

1740

Mr. McClellan: I cannot resist asking the member for Erie (Mr. Haggerty), who represents a labour constituency and still pays his checkoff, whether, as a member of the Liberal caucus, he was aware that the government's so-called reform bill and the two-year vesting provisions apply only for funds after January 1, 1987, and that the old 10-and-45 rule continues to apply to pension funds that have been vested up until New Year's Day, 1987? Did the member know that? Surely he does not support the continuation of the 10-and-45 rule for all the hundreds of thousands of workers who thought they were getting two-year vesting from this government when it turns out they are not?

Mr. Haggerty: I thought I mentioned in my opening remarks the background of the Haley commission, appointed in April 1977, and that I thought the vesting of pension funds should go back to that date.

Mr. Gillies: I will be brief with regard to this particular bill. There appears to be grave disorder in the House, but I will attempt to go ahead. The debate we are going through today is one I have anticipated for a long time, having served with my friend the member for Bellwoods (Mr. McClellan) on the select committee on pension reform in 1981. As I recall, we reported early in 1982. There were a number of recommendations, a number of studies, undertaken by that committee which, as a new member arriving in 1981, I found to be a thoroughly positive and engrossing experience.

I can share with the minister that at first blush, being appointed to a select committee on pensions when I was at that time the youngest member of the assembly did not particularly thrill me. As we got into it and found the various aspects of pension investment, pension payout—all the aspects of the funds—I actually found the subject to be rather engrossing and enjoyed the many hundreds of hours of work our committee put in during that year.

A number of the major issues that we on the select committee looked at when we were reviewing the report of the royal commission on pensions, which has been alluded to by previous speakers, are addressed in the bill we have before us. I believe there are certain deficiencies that have been referred to and certain areas where I think, with a couple of second looks and perhaps a couple of sage amendments, we could come up with an even better piece of legislation than that which we have before us.

The question of vesting has been raised. As I look back at the major issues before the select committee, I think of vesting, portability, contributions, the treatment of contributions, part-timers, surpluses and the question of inflation protection. Very quickly, I would like to touch on all those subjects.

As my friend the member for Bellwoods alluded to a few moments ago, yes, for new contributors, if you will—for those covered in the period after January 1, 1987—we see the move to two-year vesting as a step in the right direction. As was alluded to earlier in the debate, it does go further than had even been suggested at the time of the select committee. I wish there were something we could do, and I wonder whether there is not something we could do, to try to improve the vesting situation for those persons who would predate that January 1 deadline.

Mr. McClellan: Abolish the deadline.

Mr. Gillies: My friend suggests abolishing the deadline. I think that could be looked at. We should look at the options to see if there is some improvement we could make for all those people.

On the question of portability, locking in, etc., perhaps later in the debate the minister can advise me where to look in the bill for those clauses that deal with portability, because I think it is a very important issue and one that should be addressed. In an increasingly mobile society, we have so many people who work in a number of different fields over a period of years. I believe the latest statistic I heard is that the average person in North American is likely to have seven full-time jobs during his working years.

Miss Stephenson: Eight.

Mr. Gillies: Pardon me. My friend the former Treasurer informs me it is now eight, which shows that the mobility of our work force is increasing at a steady rate.

A little mental arithmetic will show us that in a situation like that, many people could pay into pension funds, especially those structured some years ago, who, with the prospect of eight places of work and the possibility of a number of those being, let us say, for under five years at each, could in fact be big losers as they moved around and tried to keep track of their pension benefits. We all know of examples of that. We know of people who move on from various places of employment and take very little with them.

We have other situations. In my own riding, I am very familiar with the many hundreds of workers who over the years have been laid off or have become unemployed at the Massey-Ferguson company and all those who were affected by the shutdown of the White Farm Equipment company. Circumstances, and sometimes very minor circumstances, can affect in a major way the pension payout people will have. There are many nasty shocks for many people when their company winds down and they find themselves out on the street. I cannot tell members the number of examples I have had come into my office of two employees of the same age leaving a company that is winding down, and because of the difference in their years of service, sometimes of one year or two, there is a dramatic difference in the type of pension benefits those people take away with them.

I am glad the question of part-timers is addressed. I just say briefly—and I believe again it was a recommendation of our select committee—I have always believed that those part-time workers in our society who have a durable relationship with their employers should be entitled to prorated, or pro-rata, if you will, benefits and pensions. I am not talking of all part-time workers, summer students and those whose type of employment is very mobile or transient. I am not suggesting that, because in many cases where there is a pension plan that is contributory, the obligation to contribute for some of those people would not work at all in their best interests. But for those where there is a durable relationship—and there are ways to determine that—I believe people working 15, 20 or 25 hours a week should be entitled to prorated benefits and pensions.

On the question of surplus, there was a disagreement earlier between my colleague the

member for Leeds (Mr. Runciman) and my friend the member for Bellwoods as to the former Treasurer's pronouncements in the 1984 paper on the subject of surpluses. I have not recently had an opportunity to review that document, but I do believe there are two clauses within it that are subject to different interpretations.

Mr. McClellan: I have a synthesis. I will read it to you.

Mr. Gillies: Good. I hope that at the end of my speech my friend from Bellwoods will get up and offer me the synthesis of these two views. Regardless of what was said in 1984 by my leader, the former Treasurer, I will say this on the subject: I believe one very creative use of some of these pension surpluses would be to apply them to provide inflation protection. I want to assure my friend the member for Bellwoods, who spoke earlier, that in one form or another our party is dedicated to the prospect of inflation protection for pensions, and one way or another, we would anticipate amendments to this act to make that possible. We stood for it in 1984; we stand for it today.

1750

I believe the details can be worked out, I hope to the satisfaction of all three parties in the Legislature, so that we can go that extra mile to provide some sort of inflation protection at whatever percentage might be deemed reasonable to assist workers with the passage of years and the effect those years have on their pensions. I suggest again, these pension surpluses, which are legion—and I will come back to that—a portion of those funds can be used creatively to help provide that inflation protection.

I anticipate that the situation in pension plans in terms of surpluses as opposed to deficiencies would have improved since we were studying the subject back in the select committee days of 1981-82. I base that assumption on the fact that we went through a period of high inflation, which would have seen many pension plan investments, through the recession years, earning a much higher rate of return than those we would have studied and experienced back in 1981 at the time of our committee hearings.

At the time, the minister may be interested to know, we were critical of some of the investment policies, particularly of some of the public pension plans. We were not convinced at all, as a committee, that some of these plans were earning the rate of return they really could have earned with a little creative management. But I would have to anticipate that when we went through times of 15, 16, 20 per cent interest rates, some

of those funds would have been reinvested during that time and would have enjoyed a rather high rate of return.

I stand to be corrected, but my feeling is that there would be higher percentages of pension plan surpluses now than there were in 1981. Let us use some of that money. Let us use some of that money for the benefit of the workers, perhaps through the excess-interest approach recommended by the select committee and touched on by Mrs. Haley in her report, or perhaps by some other method I am sure our very creative minister and his able staff could offer to the House.

I offer that, I hope in the sense of co-operation, and I try to offer it in a generous spirit. I think there has to be something in the area of inflation protection we could all agree on. I really hope we will be able to do that before this process is through.

In conclusion, I want to remind members that our select committee, made up of all three parties in this House, did endorse the concept that the moneys paid into pension plans by our workers and, indeed, by their employers are a deferred wage. It was our feeling as a committee that, if it were not bargained or otherwise agreed on in terms of applying these moneys towards pensions, in another part of the pay package, in another part of the benefit package for the employees, they would have been bargained elsewhere.

So we believe, naturally, with that in mind and with our feeling as a committee, that even those portions in the terms of contributory plans that were paid in by the employers have to be seen in a sense as part of the employees' wage packet. With that in mind, the argument for inflation protection becomes very compelling indeed, and I would hope we will all remember that as we continue the debate on Bill 170.

I know my leader, the former Treasurer of the province, will be looking forward to speaking on this bill when it next comes up for debate, and I look forward very much to the contribution he has to make at that time, because I guess, of all of us in the chamber, he would be one of perhaps five or six who has made quite a study in this area over a period of years and has an awful lot to contribute.

With those cautionary remarks and with those suggestions of changes we would perhaps like to see, I none the less congratulate the minister on bringing this bill forward, giving us the opportunity in this House to examine it and in one form or another pass it, which we will surely do.

Mr. McClellan: I want to try to achieve the synthesis that I had promised between contradictory sections of the Grossman report of 1984. In a number of places throughout the report, the former Treasurer, who is the present Leader of the Opposition, says unequivocally that pensions are deferred compensation that belongs to the employees and that inflation-induced investment earnings should be used to finance inflation protection.

His colleague rightly pointed out another section of the report that talks about the use of pension plan surpluses. They argue that unless pension managers are able to keep pension fund surpluses, there is a fear they would adopt minimum funding schedules and that the incentive to invest an increased funding investment would be reduced if the inducement of surplus pension fund withdrawal were removed.

This fails to acknowledge the logic of the first argument. Pensions are the property of employees. The logic of that leads you to say that the owners of the property should be managing the property. If the owners of the property are managing the pension funds, then you do not have to worry about the incentive of surplus pension fund skimming or about ensuring the kind of investment management that will result in the kinds of investment profits that permit inflation indexation. We get back to the property argument, which is the most compelling argument. This money belongs to workers.

Mr. Gillies: Briefly, of necessity, I accept my friend's argument. The Haley report, the select committee report and indeed the report offered by the former Treasurer in 1984 all subscribe to the view. I cannot imagine there is any disagreement on this in the House because the select committee was an all-party committee. The money we are talking about was a deferred wage

and in that sense should accrue to the benefit of the employees.

With that in mind and without getting into specifics at this point, I want to assure my friend that the position of our party will be that, one way or another, inflation protection should be offered to workers' pensions. As I said earlier, I hope that we in this House can work out, in a co-operative fashion, how that can reasonably be done. I am far from being an expert in the area of pensions and I would hesitate to say at this point that in all cases all surplus should be dealt with in this fashion.

Maybe, after reflection and study, that would be the conclusion I would come to, but at this point the only commitment I would make is that probably—if it is a legitimate surplus and if we are talking about a contributory plan where the workers and the accrued earnings of the workers' money and the accrued earnings thereof are the money we are talking about—there has to be something we can do with at least some of that money to provide a form of inflation protection. I truly hope we can do so.

With that in mind, I wonder whether I should move the adjournment of the debate. Pardon me; I would be pleased to let my colleague next to us do it.

The Deputy Speaker: I am waiting to see what the actual time is. The member for Scarborough-Ellesmere (Mr. Warner) has about 45 seconds.

Mr. Warner: It would be rather uncharacteristic of me to deliver a 45-second speech. Not only that, but the members obviously were not informed I would be speaking this afternoon; thus, the sparse attendance in the House.

On motion by Mr. Warner, the debate was adjourned.

The House adjourned at 6 p.m.

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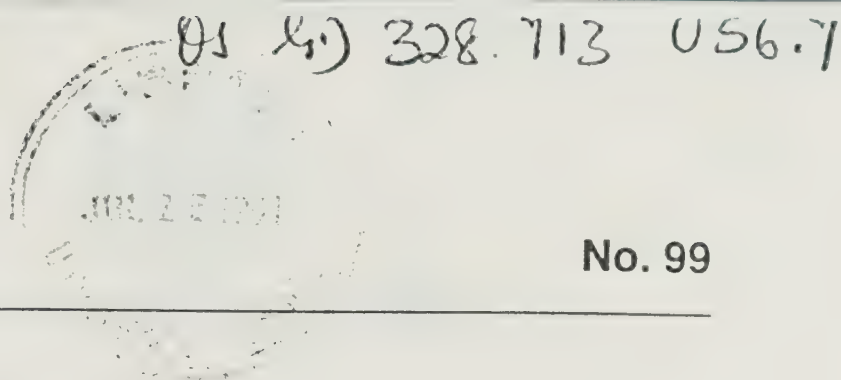
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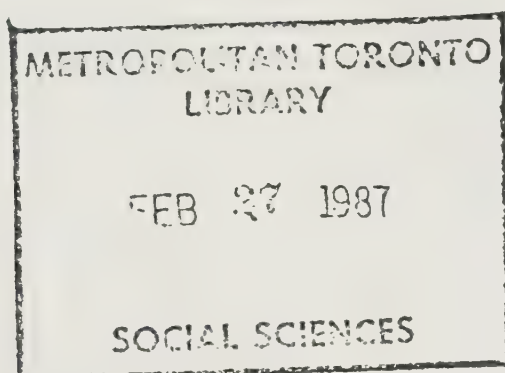


No. 99

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Official Report of Debates

Legislative Assembly of Ontario



Second Session, 33rd Parliament
Thursday, February 5, 1987

Speaker: Honourable H. A. Edighoffer
Clerk of the House: C. L. DesRosiers

Published by the Legislative Assembly of Ontario
Editor of Debates: Peter Brannan



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Official Report of

Legislative Assembly of Ontario

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SOCIAL SCIENCES

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LEGISLATIVE ASSEMBLY OF ONTARIO

Thursday, February 5, 1987

The House met at 10 a.m.

Prayers.

ORDERS OF THE DAY

PRIVATE MEMBERS' PUBLIC BUSINESS

FARMERS' RETIREMENT LOTS

Mr. Cureatz: As my understanding has it, I have the opportunity to read the resolution before my time begins to run; so I think I will take advantage of that. As everyone is getting prepared for this morning's debate and coming in from his cup of coffee, including the Minister of Education (Mr. Conway) and the House leader for the New Democratic Party, I will give members all an opportunity to listen to this resolution and reflect on what we are trying to do.

The Deputy Speaker: Order. Will you please read your resolution? Time is flitting for other members.

Mr. Cureatz moved resolution 79:

That in the opinion of this House, the Minister of Agriculture and Food should ensure the continuation of an active farmer being allowed to retain a retirement lot by severance; and, further, that the farm community should be allowed in those circumstances where farms have unworkable agricultural lots as ravine lots, small bush lots, inaccessible areas for large farm equipment, and other such land and in the discretion of the land division committee to take in further considerations, one of which would be the size of the property; and, further, upon the said adoption of said policy by the county or regional government, to be allowed to sever off such said parcel, and any future owners of said severed land would acknowledge the farmer's right to farm on surrounding property.

The Deputy Speaker: Mr. Cureatz has moved resolution 79. The honourable member has up to 20 minutes for his presentation and may reserve any portion of it for the windup.

Mr. Cureatz: This morning we do not have big weighty issues such as those we have heard the Treasurer (Mr. Nixon) announce in terms of the extra money he has in his budget, but I will tell members this is a little concern that is out there bubbling in the farm community, for those of us who have had the opportunity in the past of

representing the agricultural community know the plight of our farmers and farm families over the last few years.

I have become a little more conscientious about these kinds of concerns because now, under redistribution, my riding of Durham East has changed substantially. Before, I represented a major portion of the city of Oshawa and all that we refer to as the town of Newcastle. However, under redistribution, I lose most of the city of Oshawa and move farther north into areas called Scugog, Manvers township and the north end of the town of Whitby, more affectionately referred to as Brooklin.

The reason I am going into some detail about the change in my riding is actually for the people at home who have the opportunity of watching us debate first thing this morning or will have the opportunity at some later time during the day or the week. They will be tuning in, and I am suggesting to them the problems of redistribution and what my riding is like, so they will have a little synopsis of what I am trying to talk about.

I am going to have an aside for about one minute and mention something, as I have done periodically. I know I get a lot of laughter from a lot of members about this, but I think our television people up on the third floor and the people responsible for the microphones do an excellent job around here, trying to get our message across or trying to get the message out to the people of Ontario, but I actually think there is one further step we could take, and that is, believe it or not, a colour commentator.

I know that particular person would have to be chosen with some sensitivity. Possibly a member or former member from each party could rotate in terms of commenting on what is taking place in the debate. If someone tunes in to the television, instead of just watching a member for a riding stand up and debate, not fully understanding what the debate is about or what has happened before and what is expected to happen, there could be a colour commentator who could interject between pauses, interject when one speaker is sitting down and the other speaker is standing up, briefly explain what the debate is about, synopsise what a member has said and the

possible direction the comments will take in the future, either for his party or for all the assembly.

I mention this in passing, hoping that somewhere, some time, someone will take it into consideration. Maybe we could hire Bob Fisher of CBC television to be the colour commentator or Rosemary Speirs, who writes a wonderful column; and who, by the way, if members have not noticed, has a lovely smile when she is in the press gallery. She does not even have to mention my name. We should take it into consideration to try to get some enthusiasm up there, I say to the Minister of Education, so that we can get across to the people of Ontario in a better fashion what is taking place in these chambers.

I think a colour commentator would go a long way in that process. If anyone at home is interested, write to the Speaker of the Legislative Assembly of Ontario, Queen's Park, M7A 1A2; or write to me, Sam Cureatz, Room 105, North Wing, Queen's Park, and say: "That is a good idea. We should have a colour commentator." I say to the Minister of Education that if someone suddenly tunes in right now—I am going to get to my resolution—he may not, as explicitly as I am going to explain my resolution, have a full appreciation of what it is all about. A colour commentator would be able to fill in the gaps for those areas I may miss or rush over because my time is already running.

Back to the resolution. What is the synopsis of it? I am looking forward to some comments from the New Democratic Party and the Liberal Party. Actually, it is quite simple. There are two aspects of the resolution. The first is that we should ensure that a bona fide farmer or farm family will have the opportunity of having a retirement lot.

I can tell the members that out in the farm community there is a mixed message from the government and from these chambers in terms of the kind of severance possible for a retirement lot. With redistribution, I have had a chance to speak to a lot of farmers, a lot of farm families and a lot of organizations and there is a huge rush on the land division committee in the region of Durham. I have not had the opportunity of checking the other land division committees across the province, but I suspect it is the same. There is a huge rush by farmers to the land division committee to try to get a retirement lot in fear that it will be taken away from them. Even with the restrictions on a retirement lot now—I believe it is 10 years it has to remain in the family and sometimes we put a one-foot reserve around the remaining land—there is fear in the farm

community that this possibility will be taken away from them.

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The first part of the resolution is to ensure that the farmer and farm family will indeed have the opportunity of retaining the retirement lot. I want to remind the urban voter at home, if he has the opportunity of watching me, that the days are long gone now when the farmer had the opportunity of selling the farm for a big cash profit and retiring on that. Those days are gone. With the restrictions we have on zoning and with official plans, there now is becoming an aspect of a top limit on what farm properties are worth. With that in mind, we have to ensure that these men and women, these farm families who are producing food for our province, are going to be looked after in their retirement age.

That is the first aspect: nice, straight and clean, simple, no big to-do. It is to ensure that farm families have the opportunity of retaining a retirement lot. Now we have the second aspect. It is a little more delicate. I am looking forward to the debate, to comments from members who represent farm communities to see whether we cannot reach a compromise on this.

What is the second aspect? The second aspect is that we should be taking a look, first of all, at bona fide farmers. I am not talking about those people, those individuals, corporations or companies that rush out into the farm community, buy 100, 200 or 300 acres, then run to the land division committee, sever off what I propose and then sell the rest of the farm. I am not talking about those people. I am talking about bona fide farmers.

If you go in front of a land division committee, you will see the kind of questioning that takes place by the members of the committee. They get out of those farmers whether they are bona fide, how long they have been in operation, whether the families are involved and whether the sons and daughters are living on the farm. That all comes out in evidence, so I have no fear in terms of establishing whether they are bona fide farmers because our land division committees do a good job on that.

The point is that we should allow our farm communities, our farm families, the opportunity to sever such other portion of property where the severance makes some sense. I am not talking about doing away with valuable agricultural land. I think everyone in this chamber is supportive of that and I am sure the urban voter in Toronto, Ottawa, Windsor and across Ontario is saying the same thing. But I want to remind the

urban voter that we have a responsibility to help our farm community and our farm families. One way we can help them is by taking a look at their farm operations.

There are many farms such as this across Ontario. I have not had the chance of travelling in southwestern Ontario as much as I am sure the members who represent that area have had, but in eastern Ontario, east of Oshawa, I have had the opportunity of travelling around an awful lot. On many farms there are particular parcels of property that are conducive to severancing. What parcels, the members ask, can be severed off?

We can take a look at them. It is very practical. We have ravine lots. We have bush lots. We possibly have a little swampy area where there is some high ground. Here is another one: in today's mechanized farm community, there are parcels of property on the farm where large machinery cannot get in. It is simple things such as turning around or backing up. If that can be looked at and it can be logically explained why the farmer cannot get into that little stretch of area, he should be allowed the opportunity of severing that portion of property.

I have to admit I am not looking at strip development across and down the road. We do not want that. We do not want strip development. The land division committee would have to look at the practical aspects. There might be one possibility, maybe even two possibilities of those kinds of severances from the farm.

I want to stress that we do not want three or four lots right down in a row. We want the land division committee to look at the practical aspects, the logical aspects. If they have to sit more regularly, give them the required funds so they can do that. Give them the required staff. Give the support to our farm communities, so they can come in and explain what they want to do.

I had the chance of speaking with Roy Maxwell, who is the farm commentator on CBC radio, and I will be speaking with him again this afternoon. I enjoy his show a lot. As I travel hither and yon across Ontario, as we all do, I try to tune in CBC radio. I get a little annoyed at some of the announcers; they seem biased sometimes. However, I enjoy Roy's show, and I am paying much more attention now because of my greater representation in the rural community.

He mentioned a couple of interesting things to me. He is from the southwestern part of Ontario. He said: "I must admit the retirement lots do bother me, but I do not see why they have to put

them right in the middle of valuable agricultural land. They should at least move them to one side."

That is great; there is a compromise. Let us not put the retirement lot right in the middle of the agricultural land. Have the land division committee move it to one side, out of the agricultural land; but allow the land division committee the opportunity, when the farmer comes forward for further severance because of those parameters I have mentioned, to be able to sever.

My time is running. I am going to hear from some of the members: "We do not want those people from urban Ontario moving out into the rural communities. They are going to start complaining about the manure spreaders." I know the member for Grey (Mr. McKessock) has probably had a few complaints about the corn dryer making too much noise.

Here is one I have had: the pig farm across the road. I have a strip development in my community today and right across the road is a pig farm. I do get a little annoyed sometimes. Periodically, people call up my riding office and complain about the smell of the pig farm. As are all members, I am extremely polite; but in the back of my mind I do say: "Jeepers, the farmer was there with his pig farm first. He is producing a product that all of us enjoy in Ontario. There has to be some give and take." We go to the Minister of the Environment (Mr. Bradley) and the ministry people come out. The farmer has met all the necessary regulations on the process he has to follow for a pig farm, and we try to reach a compromise.

I know I am going to get that. I know I am going to get, "Doggone it, those urban people are going to get out and start complaining about the farmers, the noise and the fact that the snow is not ploughed."

I say that henceforth any purchaser who is buying that property acknowledges the farmer's right to farm in the surrounding area; that should be put in the deed of that particular portion of property we are going to allow to be severed. He cannot start phoning his member of Parliament, municipal councillor, mayor or reeve and start complaining about the farmer, his noise and the fact that he is up at four o'clock in the morning and has the lights on late at night cutting hay. We will put that in the deed. We will nail it down, so we are not going to have those kinds of problems from people moving into the farm community and complaining.

Lastly, I have gone the extra step to compromise. I have said, "We will not make this an

automatic policy from right here at Queen's Park, the Parliament of Ontario. We will set the policy, but we will leave it up to the municipality;" not the local municipality but the regional councils and their planning staffs or the county councils and their planning staffs. When those local municipal councillors are elected and sit at the county or regional level, let them have the opportunity of adopting this kind of policy. Who knows their particular areas better than those local municipal representatives?

It is my understanding, in speaking with the member for Durham-York (Mr. Stevenson), our agricultural critic, that this policy might not fly in southwestern Ontario. They do not want to hear about it. They are happy. I am looking forward to the comments of member for Windsor-Walkerville (Mr. Newman). He might bring some enlightenment into this debate, if that is true. That is fine.

Let those councillors make the policy decision that they will not adopt this policy of severing other parcels of property for the farm community, but let those councillors in other parts of Ontario, such as eastern and northern Ontario where this policy would be conducive and would be accepted, adopt the policy and put the process in motion, so we will have the opportunity of—what? What will this allow us the opportunity to do?

Being Deputy Speaker here for three or four years, I have heard a lot of speeches. If I heard one from the Treasurer, I heard thousands. One of the things he talked about, besides the yellow lamps on cars that he often thought would zap him—now that he has one, he does not talk about that too often; it is on the limousine—was: where is that farm budget? Where is the increase of the farm budget here in Ontario? He would list huge percentages of increases in roads and increases in health and education. The Treasurer knows—and I have to admit—the increase has been low; it has not been high in terms of the other percentages for the other ministries.

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Mr. McKessock: We have it now.

Mr. Cureatz: That is good. No doubt they will get it with the \$900 million they are saving up for the provincial election coming this spring. They will spend, spend, spend.

The Treasurer is a farmer. I am from a farm background. My parents were farmers. I had the opportunity of being allowed to go to law school and becoming a lawyer in this wonderful province. Farmers and farm families are a proud group. They do not want government handouts.

They do not want the Treasurer, who I respect very much, or the Minister of Agriculture and Food (Mr. Riddell)—who I like, I have to admit begrudgingly, although he does not get along with our critic very well—running around the province waving cheques and saying, "Here is \$1,000 for you, \$5,000 for tile drainage and \$10,000 for the new combine." They do not want that. The Treasurer knows that. The farm community and farmers of our province are an independent lot.

This allowing of the extra severance would allow them the opportunity to have, suddenly, some fast input of capital. It may just be enough in terms of the margin they require for the continuation of their family farms. I can go on at great length because this is of great concern to me and to the farmers in Ontario.

The urban people in Toronto, Ottawa, Windsor and Thunder Bay are probably not giving it too much attention. If they are looking for cheap food, they will still be able to get it but we have to ensure that we can help our farmers in Ontario. This is one of the little ways we can do it without government grants. We can put in a small little policy that will allow them the opportunity of being independent.

We are not infringing on valuable agricultural land. We are ensuring that those people who are buying those properties will not be complaining about the farm community. Last, we are saying to the local areas, "If you want to adopt the policy, you can adopt it, but if it is not conducive to your area, be it southwestern Ontario, you do not have to adopt it."

I want to thank members for the opportunity of allowing me to bring this forward. I am looking forward to saving the last two minutes and 10 seconds so that I may respond.

Mr. Hayes: In principle, I am in favour of an active farmer being allowed to retain a retirement lot. I know there are some people who work on the farm all their lives. They put their whole life into it. When it comes time to retire, they find it very hard if they have to move out of that particular area. It could be a real social shock to them to have to move out of that agricultural area into, say, an urban area.

I support the principle of a farmer being able to retain a retirement lot or even being able to sever a lot for his or her son or daughter who would continue to be actively farming.

The intent of the resolution sounds great, but how many of us have seen what happens to the lots that were severed for retirement or for sons or daughters? Before you know it, these particular

lots are sold to someone from outside the community.

I have some mixed feelings when we start talking about preserving agricultural land. The government makes such a big fuss about severing land for retirement purposes or creating strip development, but it does not seem to hesitate about taking highly productive land out of production for urban or industrial development. Urban and industrial development can occur without destroying agricultural land, but it has happened much too often where we have seen good agricultural farm land taken out of production for industrial or urban development use when other suitable lands could have been used.

It is rather hard for a farmer, especially in my area, to understand why his or her request for a severance is turned down or denied, when they look at their neighbour and they see their neighbour's prime agricultural land turned into an industrial site. It is pretty hard for them to accept that.

If the resolution were for the purpose of allowing a farmer a retirement lot and if it had safeguards to avoid abuse, then I would tend to support it; but it is really too open-ended. I know my colleague the member for Lambton (Mr. D. W. Smith) has a concern about these lots in particular: that it would be fine if they were used only for a farmer to retire on, but many times these lots are sold and then someone else might buy the farm. There are maybe two or three houses on it, too many houses for that particular farmer to take care of, and before you know it he is back in for more severances and we continue to have further strip development.

The resolution also talks about severing bush lots for the purpose of building homes when really what the resolution should be talking about is preserving our bush lots. We should be preserving them, we should be looking at encouraging farmers to grow more trees and to start to increase our woodlots in this province. We should be looking at giving them incentives to do that.

In the other area, I believe that municipalities should be looking at adopting in-filling policies. Mainly because of poor planning that has taken place in the past, and especially in southwestern Ontario where strip development has occurred, we have areas where we might have a corner lot, say, of one acre or three quarters of an acre that might be all that is left of that particular farm; or we might have areas where 200 or 300 feet of property is left because of strip development, where there are already houses on each end. I

think we should be looking at those particular areas because those are areas where nothing is grown but weeds. It makes more sense to me to allow severances in these areas than it does to take a chunk of a productive piece of property at random.

But I do not feel the property should be severed for the simple reason that it is inaccessible to large farm equipment, as the member for Durham East (Mr. Cureatz) was saying.

When I was on council in the township of Maidstone, I would hear the arguments from various property owners when they wanted to rezone their property to industrial or residential. They used the argument that the land they had was too narrow to farm. I really sympathized with that particular argument until I took a drive along Highway 3 and saw the farmers working land that was a lot narrower than the land these people were talking about. It was narrower land than others said they could not farm.

In some cases these lands are bought by speculators, people who do not have any intention of farming that land in the first place. It is quite amazing that these people who own these narrow strips of land will rent the land out and a farmer can work that land, but then when it comes time to develop it, all of a sudden it is too small to work. It is quite amazing how they can make a turnaround on that.

Does this resolution mean that if a piece of land is prime agricultural land that is too narrow or too small for large farm equipment it should be taken out of production? Does it have to be farmed with large equipment? I feel we have lost far too much prime agricultural land to urban and industrial development. If this resolution is passed, it will only worsen this condition.

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As I said earlier, if the purpose of this resolution was to allow for only retirement lots or in-filling policies then I might support it, but it is too open-ended and it is not in the best interest of preserving agricultural land.

Therefore, we are not in favour of this resolution as it is written.

Mr. Reyecraft: I am pleased to have an opportunity to join in the debate on ballot item 33, the resolution of the member for Durham East.

I will speak very briefly on the issue because I know my colleague the member for Grey has an opinion on this resolution that differs from mine and I want to give him an opportunity to express that opinion.

I interpret the resolution to promote two things. It suggests, first, that any active farmer should be able to sever a retirement lot; and second, that farmers should be able to sever residential lots and parts of their farms that are unworkable.

The resolution gives the assembly an opportunity to debate an issue that has been a source of controversy for a long time in rural Ontario. It is an issue with which I am very familiar, having spent a good number of years on planning boards and planning advisory committees in Middlesex county, both at the local and county levels. It is an issue in which people who have views on both sides hold those views very strongly.

I have seen the issue of rural residential severances divide communities, and sometimes the feelings aroused during those local debates stay for a long time.

Those who tend to support rural residential severances do it, basically, for three reasons. First, they believe that retiring farmers should be able to remain in their homes after they no longer wish to continue as farmers. That is a very commendable objective. It is one with which it is very difficult to argue.

The second reason they support it is that it allows municipalities to expand their tax base, their assessment base. That, too, is a very commendable objective with which it is difficult to argue.

The third reason—and it is the one that is usually unexpressed—is that it permits a farm owner who wants to sell his farm to be able to increase his return by selling it in two separate parcels, the farm separate from the residence, as opposed to selling it as a single unit.

Sometimes, that motive is often the real motive. It is not often the one that is expressed, but it is often behind one of the other reasons that is cited.

With respect to the first two motives behind rural residential severances, there are better ways to achieve both those ends. For a retiring farmer, there are other options to be considered that will allow him to remain in his home for the rest of his life; options such as selling the farm and leasing back the residence, or an agreement as part of the terms of the sale that allows the farmer to continue to occupy the dwelling for as long as he wishes. Both of those are better ways to achieve that first objective than severing the lot and doing something that is irrevocable.

In terms of municipalities expanding their assessment base, I think there are better ways to do that as well. Certainly, for a municipality,

there is a much greater economic benefit to directing residential development into towns, villages and hamlets, and even into rural subdivisions, than in allowing severances to occur on a random pattern throughout the township.

The resolution offers a short-term benefit, but it creates problems that others are going to have to solve eventually. I do not have any problem with a single severance or even with a few severances along a particular block of country road. It is the cumulative effect of these severances that we have to have concern for, because the cumulative effect is not insignificant. The reality is that retirement lots do not remain retirement lots. Eventually, and sometimes very quickly, they simply become rural residential lots for the urban dwellers of whom the member spoke.

Eventually, they are going to be occupied by people who have very little knowledge or understanding of agriculture. No matter what we say, no matter what kinds of conditions we put in place now and no matter what kinds of right-to-farm protections we put in place, those people are going to complain about the odours and noises of which the member spoke a few minutes ago. It is a reality that if we allow those nonresidential lots to proliferate, eventually there is going to be a shift in political influence from the farmers to the nonfarmers in our rural communities.

Because I know others wish to speak on this matter, I will conclude my remarks now by saying something that someone else said a long time ago. I do not know to whom the quote should be attributed, but the person said: "We have to stop thinking of our agricultural land as something we inherited from our ancestors. We have to start thinking of it as something we borrowed from our children." We are not doing any favours to the future farmers of Ontario by turning the back roads of this province into residential laneways.

Mr. Sheppard: It is a pleasure for me to rise today to speak in support of my colleague's resolution. In essence, my colleague proposes ensuring that an active farmer be allowed to retain a retirement lot by severance and, furthermore, that any future owners of the said severed land would have to allow farmers on surrounding property the right to farm without complaint.

The economic plight of the farmer in Ontario and throughout Canada needs no elaboration. We have discussed this several times in this House as well as in our own ridings. Every day on the news we hear of the dilemma our Canadian farmers are

facing. Some of us here, as farmers, may be experiencing some hardships as well. As we know, the Minister of Agriculture and Food released a proposed policy statement on food land preservation last February. At that time, a new advisory committee was established to examine the need for new measures to protect the right to farm in Ontario. The committee was to recommend options that would protect Ontario farm operations from incompatible land uses and from complaints against normal farm practices. The committee was to report its findings to the minister in June 1986, which it did. It was later released to the public in August of last year.

As we are also aware, the minister is still reviewing the committee's report, which is why I chose to speak on this resolution today. The loss of prime food-producing lands to urban and other associated land uses has been a recurrent issue of concern in Ontario. Most of Ontario's urban centres originated as agricultural service centres and are located, as a rule, in the midst of high-quality agricultural soil. In other words, the growth of these urban centres has generally been at the expense of agricultural land. I understand and firmly believe that preserving our prime farm land should be one of our highest priorities. Prime farm land is one of our most precious natural resources in Ontario and Canada, and we must protect it for generations to come.

We may not always have an abundant surplus of food. What is more, development of new crops is a very important part of planning for the future. In order to do that, we must preserve and protect the prime agricultural land we will need to grow the crops. We need to provide a stable land base in an environment in which farmers can make long-term plans with confidence. In order to keep our options open, future land use planning must ensure that as much prime agricultural land as possible remains available for farming. We must be able to meet tomorrow's food production needs; there is no argument about that.

Since the introduction of the proposed policy statement of the Minister of Agriculture and Food, there has been considerable concern within the agricultural community in my riding about the restriction of land severances. I am concerned that because of the need to serve the wide spectrum of Ontario agriculture, the needs of individual municipalities will be overlooked. We must keep in mind that one solution suitable for central and southern Ontario could prove detrimental to the eastern and northern sections of this province.

In no way does this resolution propose to create ribbon development or a massive influx of housing where sewers, water and other such services are not available. This resolution does propose, however, particular consideration of the farmer and the region in question. On many large farms there are parcels of non-arable land that are not suited for agricultural purposes but could definitely be used for housing needs.

Instead of having an overall multipurpose policy of no residential housing in agriculture-zoned areas, there should be a policy that could be governed by municipalities. This policy would permit a limited number of rural residential lots where such lots met certain criteria. The program, of course, would be set up with an overall provincial guideline; yet the final onus could be placed on municipalities or regional governments to adopt or reject such a program.

It is obvious that the proposed program might not apply to various municipalities, which is why the final decision should be left up to those elected officials at the local government level who know the area best. Even the Association of Municipalities of Ontario agrees that farm-related severances should continue to be permitted on agricultural land at the discretion of the municipalities, according to the Policy Guidelines and Position paper issued in August 1986.

The Minister of Agriculture and Food, in his address to the Ontario Vegetable Growers' Marketing Board in February last year, used farm severances as an excuse for the increasing conflicts and lawsuits in rural areas. He said:

"Often people from the city buy these country lots and move in unprepared for the sounds and the smells of farming operations next door. Complaints arise from the smell of manure or the noise from farm machinery early in the morning or late at night. Farmers, on the other hand, complain about trespassing on their property, damage to machinery and crops and pilfering."

He continued to say, for those reasons I just mentioned, no severance would be granted for retirement or for housing for farm help. He said, "This will lessen potential conflicts in rural areas where farm operations that have been established for years suddenly find themselves under siege by nonfarm neighbours."

Ironically enough, the Minister's Right to Farm Advisory Committee found not only that nuisance complaints were forthcoming from urban rural dwellers, but also that in large measure complaints were coming from neighbouring farmers. In fact, the percentage of farmer-to-farmer complaints was greater than all

of the other complaints combined, according to a survey conducted in a limited area of southwestern Ontario.

I am going to sit down, because I know some of the other members would like to take up some of my time.

Mr. Charlton: I, too, am pleased to rise in the debate on this resolution by the member for Durham East. As my colleague has already said, I am going to rise in opposition to the resolution.

The resolution that is before us here today is a resolution that is ill-defined. That is not to say we do not understand the sentiments the member for Durham East is trying to express in proposing this resolution, but it is ill-defined because it does not set criteria that are workable in the context of the planning we have had to deal with in Ontario, the planning and restrictions we have had to put in place to avoid the kinds of problems we have had in the past.

As my colleague the member for Essex North (Mr. Hayes) has said, we do not have any problem with the retiring farmer's right to sever a lot where he or she can spend the rest of his or her life. It has to be controlled so it cannot be abused, and it has been abused in the past. That is one of the things of which the member for Durham East has to be aware. One of the reasons that we now have restrictions, the guidelines, on retiring farmers severing lots is that the process was abused in the past.

It is the second part of the member's resolution, the part that he openly admitted in his opening remarks was the sensitive part of the resolution, about which we have our greatest concerns: the severance of ravine lots and small bush lots in areas inaccessible for farm equipment. Again, I think we understand the sentiments the member is putting forward, but I think he has to understand that those are the kinds of things that have gone on in the past and have caused very serious problems for the very agricultural community that he is talking about in his resolution.

I recall, for example, a case in Ancaster, in Hamilton-Wentworth, where some 20 years ago precisely what the member is talking about here was allowed to occur without any real understanding of the implications of that action. A large ravine area at the back of two farms that happened to be abutting the side road was severed. A rather extensive residential survey eventually went into that ravine area because it was very beautiful—no question. Very expensive housing went in; very nice, appealing housing

with lovely lots. Everything looked wonderful. People who lived there loved it.

Unfortunately, because of the number of houses put in place, the municipality had to deal with the question of whether the land could adequately service septic systems or whether there would have to be some kind of a sewer or lagooning system, which it ultimately ruled there would have to be. As well, it had to install storm sewers because there were enough houses and road footage to cause a problem if it did not put storm sewers in.

Naturally, as members know, most ravines and ravines for a reason. There happened to be a stream in the ravine. That is where the storm sewers drained and that is where, ultimately, the lagoon water was let out, albeit at a regulated rate. That action, giving the right to two farmers to sell those ravine lots, caused serious problems for all the farmers down the entire remainder of that stream.

Those are the kinds of things that have to be taken into account and that, ultimately, severance committees are not well suited to do. First of all, the planning for whatever development is being proposed is not far enough along at that point for most cases for the severance committee to take the consequences into account. There are ravine lots and woodlots, and although it is not in this resolution, the member mentioned marshy areas and swampy areas. These are the kinds of things we have been spending a lot of money on in this province. We have been studying wetlands. These are the very things we should be preserving in agricultural Ontario.

1050

We would probably have no objection to the severing of these kinds of lots if it were to be done by conservation authorities that were looking at buying them. In fact, as the member knows without his resolution ever passing, that is going on all the time; but to allow, in a very loosely worded resolution such as this, the severance of that kind of land from farms in rural Ontario would open the door to accelerating the process of encroachment on farm land. Whether it is the member's intention to allow this to happen, or not, after having listened to his comments I do not think it is, this is the kind of door that will be opened and the kind of problem that will be faced down the road if those kinds of severances are allowed to happen.

Even if the municipalities say at the point of severance that the severance is not for residential purposes, industrial purposes or commercial purposes, but for recreational purposes or what

ever restrictions happen to be put on it initially, eventually somebody is going to find a way to bring political pressure to bear to change the designation or restriction on the now-severed land that is no longer part of an agricultural piece of land.

We will end up with situations such as we ended up with in Flamborough with a steel foundry going in right in the middle of a major agricultural block of excellent farm land, and with the steel foundry setting up dumps at the back of its property for its industrial waste, with the wells of all the surrounding farms ultimately getting damaged or totally contaminated by that inappropriate use of agricultural land.

In wrapping up, after having listened to the member for Durham East I honestly feel the kinds of things I have talked about are not his intention in this resolution, but the kinds of things he is proposing in this resolution will open the door to the inappropriate and destructive way in which agricultural land was handled in the past. We will have inappropriate situations such as I have described today start to happen, perhaps not immediately but somewhere down the road, as people start to find ways through political pressure or whatever other legal means they might find to remove restrictions and to move to inappropriate uses for the land the member is talking about.

Mr. McKessock: I want to congratulate the member for Durham East for his resolution, which I endorse in its entirety. Definitely, a farmer should be allowed to sever a retirement lot; definitely, some lots should be allowed in rural areas where the land is unworkable for modern-day agriculture; and, definitely, the farmer's right to farm should be upheld where conflicts arise from such severances.

First, let me deal with the issue of allowing a farmer a retirement lot. The question arises, should we allow any agricultural class 1 and 2 land to be taken out of agriculture? I am all for saving as much agricultural land as possible, but when I hear that 300 or 400 acres of prime agricultural land has been rezoned residential or industrial near Brampton, Burlington or wherever, and we do not want to allow a farmer half an acre for a retirement lot, it makes me sick.

Furthermore, the majority of farmers in Ontario have a few acres that are not suitable for agriculture which could be severed for a retirement lot. Some areas, such as Kent and Middlesex counties, may find it difficult to find any poor land. Then maybe we should let the individual counties decide their own policy on

farm-related severances. There is no need for the regulations to be the same all across Ontario.

Another concern is that if something happens to the father or the son in a father-son relationship through death, accident or marriage breakup, if the second house is severed the mother or the daughter-in-law will have a home without forcing the sale of the whole operation.

Now let me deal with the severance of rural lots in general. Again, it should be allowed in areas where it can be done without interfering with prime agricultural land. Some worry about strip development. We can guard against that by allowing only so many in a mile of road. Some worry that the township councils will be called upon for more services. The services are already there. The schools are built, the school buses run down the road anyway, the garbage truck goes by, the roads are snowploughed and maintained all year round and the fire protection is in place. Why not make better use of these services? Why not let those people who love the country live in the country? Surely our cities are full enough and to live there continues to get more expensive.

I have heard it said that if we allow rural lots, soon we will have people there asking for sewer and water systems. Do not be ridiculous. Natural springs, drilled wells and septic systems have been working well in these areas for generations. I know of septic systems that have worked well for over 40 years and have not been touched. Now they have to be inspected and meet the standards of the local health authorities. Surely with all these extra inspections, rules and regulations today, it will work even better. But then again, sometimes governments meddle too much.

I believe in the preservation of agricultural land, but this is a vast province. Three or four per cent of our land is prime agricultural land. Let us not deprive those who would like to live in the country from settling on some of that other 96 per cent. If agricultural land is to be preserved, it should be the class 1 and 2 land in the southern sections of the province near the cities, where the land is level and free of stone and the heat units are better.

The final issue is giving farmers the right to farm. It should be a policy of the land division committee to inform people applying for severances that rural residents will have to contend with normal farming practices. As the member for Durham East said, it should also be registered on rural deeds that farm odours and noise at certain times of the year must be accepted. At the same time, farmers must adhere to an agricultural

code of practice that minimizes the impact of these irritants and limits any detrimental impact on the environment.

I would like to set the member for Hamilton Mountain (Mr. Charlton) at ease by saying that if someone settles in ravine lots, the erosion is more apt to be controlled than if no one is inhabiting that area. It is always in the areas where no one lives that deterioration takes place and erosion is not controlled. Wet lots will also not be interfered with, because who wants to build a house on a wet lot?

This is a good resolution. If we want to be fair and just to the people in rural Ontario, we should support it.

Mr. Cureatz: It is my understanding that I still have about two minutes and 30 seconds, plus the 45 seconds I have left.

First, I want to thank all members who had the opportunity to participate in this debate, albeit for a short time, as it was. However, I think we have a kaleidoscope of ideas of what this resolution is trying to do.

I want to centre in, of course, on everyone's comments. It is impossible to do that, but let me say to the third party that I appreciated the comments of the member for Hamilton Mountain, especially in terms of the assessment experience I know he has had over the years, because that has brought to light some of those interesting aspects that the Liberal member for Essex North brought into play, and that is in terms of assessment. I want to say to the member for Essex North—

Mr. Hayes: On a point of order, Mr. Speaker—

Mr. Cureatz: No, it was not him. The member for Middlesex (Mr. Reycraft).

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Mr. Hayes: I do not want to be accused of being a Liberal; that is all.

Mr. Cureatz: I can understand that, albeit I do not understand why the member is supporting them. We can talk about that another time.

The member for Middlesex said severances divide the communities. My point is that we have to take on that responsibility. That is our job, not to divide the communities but to face the hard issue: are we out there to help the farmers?

I do acknowledge and appreciate the member's comments on something I had not brought my attention to. I will have to give further consideration to the shift of political influence. Maybe he is right. Will there be that great an influx of new people coming into the farm

community who will be outvoting the farmers in the voting process? I do not know. My gut feeling is that it will not happen. We are not going to have that kind of huge influx. But it is something that should be considered and we will put our minds to that.

I would also like to thank my friend the member for Northumberland (Mr. Sheppard) for his support and his centring in on the local option, which I stressed in the resolution, and my good friend the member for Grey (Mr. McKessock) who supported me on this 10 years ago, if he remembers. I cannot believe it has been that long. The member for Grey pointed out another aspect which I did not give consideration to, the fact that farm families have family problems too, deaths and divorces, and the extra severances may alleviate those kinds of concerns.

I am disappointed, of course, that this TV coverage will not take place in the farm community, but farmers who are interested can write to Room 105, North Wing, Legislative Building, in terms of their support for this resolution.

OCCUPATIONAL HEALTH AND SAFETY AMENDMENT ACT

Mr. Martel moved second reading of Bill 149, An Act to amend the Occupational Health and Safety Act.

The Acting Speaker (Mr. Morin): The honourable member has up to 20 minutes for his presentation and he may reserve any portion of it for the windup.

Mr. Martel: I want to start by indicating to the House where the power lies in the present legislation before us. Bill 70 gives total and absolute power to management. At the hearings I held in Sudbury, Inco said to me quite pointedly, "If upper management decides not to allow health and safety to work, it will not work." It is only when upper management decides that the health and the safety of workers is important that we will have health and safety.

The present act works under the internal responsibility system. I hope my friends will listen to the statistics because they are devastating. The joint health and safety committee is made up of equal numbers from management and labour. They can make recommendations but they can do nothing else. Under the existing legislation, the recommendations do not have to be accepted. They cannot make changes.

Under the legislation, the workers can refuse to work, but most of them are fired, intimidated and sent home if they refuse to work. Although

section 24 of the act says they cannot be intimidated, they are. All kinds of people have been fired in this province for refusing to work. The Ministry of Labour has never used section 24 to protect a worker against this reprisal.

Now let us see what is happening in Ontario where the bill applies. Let us look at what is happening. These are the constituents of my friends opposite I am talking about. In 1983, 232 workers were killed in Ontario; in 1984, 234 were killed in Ontario; in 1985, 193 were killed in Ontario; in 1986, 211 were killed in Ontario. Can members imagine the reaction if they were policemen? We would turn this country on its head. But they are workers, one almost every working day for the past four years. In a five-year period, 1,250 workers have been killed in this province. Is there no end to the carnage in this country, in this province?

Just two weeks ago, the Ontario Law Reform Commission, in its annual report, working paper 53, said 3,600 working people die annually from cancer induced in the work place; 3,600 die annually. In a report, Dr. Keogh said—let me quote briefly: "If you poison your boss a little bit each day, it is called murder. If your boss poisons you a little each day, it is called threshold-limit value." There are 3,600 who die annually from cancer from the work places.

Let us look at accidents. The number of accidents reported last year in this province was devastating. Let us look at a couple of years: 1983, 344,000; 1984, 388,000; 1985, 426,000; 1986, 442,000. Those are people injured. Those are the statistics from the Workers' Compensation Board on the number of people injured in the last four years. Take any of those figures. There were enough injured people in Ontario to fill Maple Leaf Gardens to capacity for 26 consecutive nights, and one wonders.

Let us look at construction, for example: 1984-85, 8,663 accidents; 1985-86, 15,424. That is almost double in one year. If one looks at the industrial sector, there were 86,000, in round figures, in 1984-85 and 151,000 in 1985-86. Today, members will vote against this bill because it is going to give power to the workers to protect their lives and safety.

The carnage does not end there. Let me quote from the Provincial Auditor's report so that my friends understand what they are voting against. The Provincial Auditor is not biased. I am. The auditor states: "A significant number of companies not considered for inspection"—they did not need an inspection—"should be considered. In fact, two workers were killed"—two fatalities—

"and eight critical injuries occurred in work places not even registered in the province with the industrial health and safety branch." They were not even registered. Two fatalities and eight critical injuries.

That is part of the carnage going on. If one wants to look beyond that, one could look at the orders against companies. This is significant because the companies have all the power, total and absolute, over the working lives of people in this province.

In 1984-85, there were 78,000 orders issued against companies—can you imagine?—that had failed to comply with the act. In 1986, the figure was 76,381 violations of the act by management, which has full prerogative under this legislation. Those are the members' people who are getting injured, killed and slaughtered and who are dying from toxic substances. These are not my figures. These are all figures from the Workers' Compensation Board and the Ministry of Labour. If the members are prepared to allow that carnage to continue, there is something wrong with us as a society. There is something dreadfully wrong, my friends.

Let me tell the members how bad it is. Again, I remind them that management has total control. There was a survey done, which I asked the Minister of Labour (Mr. Wrye) for a number of times. Seventy-eight per cent of the committees that operate in this province do not function properly. The survey showed that. Who is in control of those committees? Management is in control. That was not my survey; it was Dr. Harvey's. It was done and paid for through the Ministry of Labour. In the annual report, 78 per cent of the committees are not properly constructed and do not comply with the legislation.

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There are accidents. There are deaths through injury. There is cancer at an unacceptable level. There are contraventions of the act. There are orders that are ignored with impunity because even in this great report, the Laskin and McKenzie report, those people in charge said as the only criticism against management, "However, fines awarded by the courts have averaged approximately \$2,000 and a jail sentence has never been given." In these circumstances it is not surprising that some employers have opted to pay a fine rather than comply with an order. That is the only criticism in this report. Management has all of the power. All the statistics I have quoted are factual.

We are going to see some people vote against this bill today. I will tell the members why in a

moment, but let me finish before I go through what my legislation requires.

The Minister of Labour himself, the minister for labour as he likes to call himself, said on Dateline Ontario two weeks ago the following about accidents in the province: "I am not afraid to sit here and be a little critical of the safety practices of some of the workers in the province. They are just downright sloppy. We have too many injuries right now that are caused by sloppy work practices." That was said by the Minister of Labour; I am quoting from the transcript.

Workers have no control of the work place. I say to the member for Chatham-Kent (Mr. Bossy) across the way that they have nothing under the act that protects them. They have no power under the act. I do not care what the Minister of Labour told him. Under the present legislation, they have absolutely no power whatsoever; none.

What does my bill do? I know people are going to get up and say: "Your bill goes too far. You give too much power to the workers." They should tell me how to do it.

What we have done is suggest that the health and safety committees should have power and that they should have one more worker than there is management to get around the key issue that if there are two and two, and you want to test the work place and the health and safety committee makes the recommendations but management says, "No, you are not going to test the work place," it is dead.

We can go to the Ministry of Labour which does not have enough staff. We have about 230 inspectors in the province, fewer inspectors in the work place than there are conservation officers. There are probably 15,000 or 18,000 police in the province. There are five times as many accidents in the work place as on the highways and we pumped in \$200 million more last year to get rid of the carnage on the highways. But we are not prepared to put the money in to protect the workers. That means the minister cannot hire adequate staff. They should tell me how 250 staff can inspect over 200,000 work places in Ontario. It is impossible. The minister will never be able to hire 1,000 more inspectors. I have listed for him the accidents, the fatalities, the contraventions of the act with all of the power, which to this time has remained with management, total and absolute.

So in my bill I said, and I did it very deliberately, that on the health and safety committee there should be an extra person to break the imbalance, because we could never get

the inspectors. Surely people have the right to protect their health and their safety. I do not care about dollars, quite frankly, if it comes down to a worker's life, and the members should not either; so I gave some power to the workers.

Let me give members an example. Most of the powers are contained in subsection 2(3):

"It is the function of a committee and it has power to,

"(a) identify situations that may be a threat to the health or safety of workers."

I know a worker—I have his record—who, in a mining company last year, reported unsafe conditions on four occasions. He ultimately was killed by a gate, because no one from the Ministry of Labour went in and made them clean up. That man is dead today.

That is why I gave power to the workers. They are not irresponsible. They are the same people members meet with and fraternize with all the time. They are not going to shut down the means of production, as that crazy McKenzie said in his report. They are responsible people. Tell me how many workers members have met who are irresponsible. They are responsible enough to produce the money and the wealth in the factories and in the mines of the province, but they are not responsible enough to protect their health, and they do not have that power. Do members not understand that?

The members opposite will vote en masse against it, because I am told the word is out from the Minister of Labour that they must vote against it.

Let me give members a second example of where we gave tremendous power. We said they have a right to conduct tests in the work place. I gave members cases in this House where orders were issued a year ago and have not been complied with yet, with respect to lead, silica and isocyanates—all three of them designated substances, all three of them totally devastating to people's health in the work place.

All I am saying is that they have a right to conduct those tests and they have a right to hire the company to do the tests appropriately. Is that expecting too much, that they should be able to test for the substances that are affecting their lives? Members opposite will vote against it though. They do not have that power, do they? Some of my friends whom I buried in Sudbury died from cancer from the old sintering plant: 12 of them. Members are going to deny that power this morning, and do not tell me about the minister's impending legislation, because it does not rectify the imbalance that exists; it does not

Surely working people have a right to equal power to protect their health and safety.

I am not talking about the methods of production. That is what McKenzie's stupidity was in his report.

What else do they do? They can "approve any machinery, chemicals or innovations before they are introduced into the work place." Should we not be preventive? Should workers not have the right to say: "No, no. That thing does not work yet. That chemical has not been tested properly yet"?

They do this in Europe. Europe has not been brought to its knees, has it—Sweden, England, France, Germany—by these powers? Industry is not moving out en masse, as Laskin and McKenzie said. Do they have the right to make sure that what is installed is safe.

Let me tell members one more; then I will take my place. I want to save about two minutes to the end. They can "approve all protective devices used or worn in the work place." Just a year ago, one of the doctors from the Ministry of Labour allowed the use of certain masks at an air plant in north Toronto that would not protect the workers from the exposure there, the threshold-limit values that poisoned a little bit all the time. He said, "Go ahead and wear them." They would not protect the workers because the dosage was too high.

1120

These are the types of powers to which I am saying the workers have a right, and I suspect you people will vote en masse against it.

I will save the remaining one minute and 54 seconds.

Mr. Polsinelli: As an individual who comes from a working family and whose father suffered a serious work place injury, I am happy today to speak on this very important bill, Bill 149, An Act to amend the Occupational Health and Safety Act.

Bill 149 offers us an opportunity to delve into issues that are too important to overlook, both as legislators and as custodians of the occupational health and safety regime of this province. Members of this Legislature will know this government shares in the objective of improving that regime, while further promoting conditions that prevent illness and injury to working men and women in this province.

Bill 149 contains much that is worthy of our consideration. Regrettably, however, it also contains serious flaws that will not provide the protection to workers that it ostensibly claims. In

particular, I refer to Bill 149's design for joint health and safety committees and its call for diminished representation from management. Joint health and safety committees are central to the internal responsibility system and, as such, work place parties must share in their obligations and responsibilities. Without an equal commitment from both management and labour to work place health and safety, no occupational health and safety legislation will work. Bill 149 unfairly shifts the burden of that responsibility on to the shoulders of the workers.

This government believes an expansion of the rights and responsibilities of joint health and safety committees is in order. We believe the best approach to improving health and safety in the work place is to strengthen the shared responsibilities of both management and labour.

To that end, the Advisory Council on Occupational Health and Safety made a number of very worthwhile recommendations in its recently tabled report. These included: that worker members of the joint health and safety committees be allowed preparation time for meetings as an official function of being a member; that management be required to advise the joint health and safety committee of policy and program decisions that affect its operation; and that management should respond in writing to all written recommendations of the joint health and safety committees.

Also noteworthy are the advisory council's recommendation that minutes be distributed and that workers be given an opportunity to meet with the joint health and safety committees during working hours. These are responsible suggestions, some of which have already been incorporated into Bill 101, with which the member for Sudbury East (Mr. Martel) is very well familiar.

Members should also keep in mind that the objective of any change is to ensure that workers have a real opportunity to participate in the achievement of a healthy and safe working environment. Our government wants the joint health and safety committees to work. These committees are at the core of the occupational health and safety system in the work place.

The advisory council also made a number of other proposals for improved committee functioning, including the suggestion that there be a minimum frequency of inspections, perhaps once a month, and that if there are to be exceptions to that once-a-month inspection rule, then those exceptions are to be approved by the ministry.

Training of health and safety committees is another issue that is addressed in Bill 149. Without a doubt, there is wide support for better training. This support comes from labour and from management. It also comes from the Advisory Council on Occupational Health and Safety. Education and training for workers and management are a high priority in the development of an occupational health and safety program.

We believe this is essential. Bill 101, the right to know, addresses this question, and future amendments to the Occupational Health and Safety Act will also address the question of training.

This government believes Bill 149 is too narrow an approach to the entire issue of occupational health and safety. It is our party's belief that a complete, balanced set of amendments to the act would be more appropriate than what is proposed in this bill. I would be remiss if I did not point out some of the actions already taken by this party, this government and this minister in the area of occupational health and safety.

When the present government took office in June 1985—

Mr. Warner: Do not speak drivel. Your government has not done a bloody thing.

The Deputy Speaker: Order.

Mr. Polsinelli: —it was obvious that the health and safety legislation could be improved to provide workers with the additional right to know about toxic substances. The Minister of Labour played an instrumental role in forging a national consensus on the work place hazardous materials information system.

In January 1986, the government introduced Bill 101, proposing fundamental improvements to the workers' and the committee's right to know about toxic substances. Bill 101 calls for the labelling of products used in the work place and the provision of training for workers concerning hazardous and protective measures. This bill provides for the development of an inventory of toxic substances which would be available to workers and the community. This proposed right to know goes beyond the WHMIS provisions.

Following the introduction of the bill, the Minister of Labour was a leading force in the negotiations which culminated in a national agreement announced last month. The agreement cleared the roadblocks on the remaining issues of trade secrets and funding, so the federal and provincial governments will now move in

concert to enhance the information available to workers about toxic substances. The provincial government intends to proceed with Bill 101 at its earliest opportunity.

The Minister of Labour has additional amendments to the Occupational Health and Safety Act under active consideration. Issues such as enhanced penalties, increased scope of joint health and safety committees and expanded training requirements are all receiving detailed study. The government plans to introduce a package of amendments to this House very shortly. The review of the act underscores the government's commitment to enhance the rights and responsibilities of the work place parties to protect the health and safety of workers. It also emphasizes this government's resolve to take vigorous action when those responsibilities are not met. In the light of such measures, I feel that Bill 149 is simply not far-reaching enough.

There is no question that when we took office a short 18 months ago, we felt, and we still feel, that the Occupational Health and Safety Act requires serious study and very many amendments to protect the workers in this province. We have begun to address the very serious failings of the occupational health and safety system in the province. We believe, however, that a comprehensive set of amendments that have been fully discussed with all the work place parties is essential to ensuring better health and safety for the working men and women of this province.

Integral to that is, I repeat, the shared-responsibility aspect. I cannot believe a system will work if one of the sides is unequally represented in the joint health and safety committees. We need a fair representation and a commitment from both parties.

Mr. Martel: That is what is going on now, you dummy.

Mr. Hayes: Come on, wake up.

An hon. member: Come out into the real world.

The Deputy Speaker: Order. The member for Yorkview has the floor, and he is on a time limit. Please do not interrupt him.

Mr. Polsinelli: I can understand how my friend the member for Sudbury East becomes very emotional when he is dealing with these issues, and so he should be. They are very serious issues and concerns. Our objectives are the same, to protect the working men and women of this province. However, we fundamentally disagree—at least I do with him—on the operation of the joint health and safety committees. I say again

that those committees cannot work if there is not equal representation, equal parties and equal commitment from both management and labour.

In the light of the foregoing, I believe Bill 149, as proposed by the member for Sudbury East, is an inadequate and incomplete response and, as such, I cannot support it today.

Mr. Martel: Who has the power now?

The Deputy Speaker: Order.

Mr. Gillies: I am very pleased to join this debate on Bill 149, as proposed by my friend the member for Sudbury East.

The decision of our caucus, arrived at after considerable debate through two meetings, I might say, is to have a free vote on this question. Mr. Speaker, I can tell you that as an individual member and as Labour critic for our party, I will be voting in support of this bill for a number of reasons. I would like to put them on the record briefly, because the way the rotation works this morning, I want to be sure to allow enough time for my colleague to speak.

1130

I think it well for us to remember we are voting on second reading. We are voting on the principle of the bill put forward by the member for Sudbury East. I do not agree necessarily with every aspect, every dotted "i" or crossed "t," in this bill, but we all know the parliamentary process. The process is that we debate the merits and demerits of the principle of the bill on second reading and that the bill should then go forward, I suggest, to a standing committee for amendment and discussion on a clause-by-clause basis by the members of this House.

We will only have that opportunity with the member for Sudbury East's bill if the bill passes; otherwise, it is relegated to that ash can that for all too many years has been the repository of private members' business in this House. I urge members of this assembly to vote for this bill. If there are things members do not like about it, we can talk about it and examine it in depth.

That is important. It is important because of the deteriorating situation in this province of occupational health and safety; it is important in terms of the complete inability of the current Minister of Labour to come to grips with this situation; and it is particularly important in the wake of the McKenzie-Laskin report, brought forward as the minister's excuse, his response to all of the anguish and concerns put forward by members of this assembly with regard to occupational health and safety.

I said on the day that report was brought forward that it was a whitewash, that it was not a meaningful response to the problems cited. I say it again today. When are we as members going to have an opportunity to discuss these problems? When are we going to have a chance to sit down with the minister and his officials and ask, "What the devil is going on?" We did not have that opportunity in the case of the McKenzie-Laskin report, a report which has not even been tabled in this House. We will have that opportunity if this bill goes forward to a standing committee. It is an opportunity we need.

The kind of response we need is not the kind of response offered by the McKenzie-Laskin report, a report which blamed in sequence the media, the opposition and activists with a hidden agenda. It blamed those three parties for the problems in occupational health and safety. It was a report that did not look meaningfully at the problems within the Ministry of Labour and within the work force. I am determined that we have that opportunity.

My friend the member for Yorkview mentioned he comes from a working family. I do too and I know my friend the member for Sudbury East does. Maybe that is why we are so darned concerned. Maybe it is because my father worked in factories all his life. Maybe it is because I had to work in factories and other industrial settings to get through university.

I have worked with dangerous chemicals. I have worked with fluoride, chlorine and other designated substances. I have seen workers working in areas where they should have had respirators or where there should have been retrofit engineering controls, but they were not in existence. I have worked in situations where the very structure of a building where workers were expected to work every day was not safe.

Like all of us, I as a member have had the kind of calls I think my friend's bill will address, when a worker calls my office anonymously because of a situation he wants to report in his plant but dares not do so because he is afraid of the reprisals and intimidation if his concerns are made known. I have had people call my office and say: "I am working next to a concrete wall in a dilapidated building. My co-workers and I are afraid it is going to fall down any day." I said, "Please tell me where it is and please tell me your name." He said, "I will tell you the name of the plant, but I will not tell you my name because I do not want to lose my job."

Whether it is done by improved legislation from the government—and I accept the desire of

my colleague the member for Yorkview that this situation be improved; I know he is sincere about that—whether it is done through that mechanism, private member's legislation or any method we have available to us, it must be done.

I will conclude because there is not a lot of time for this debate. I wish there were a lot more. In the first 11 months of 1986, 248 workers died from work-related disease or injury in this province. There were 138,000 people injured seriously enough to lose time from work, and these figures are up from 1985. The direction we are moving in in this province is completely the wrong direction. The situation is getting worse.

With that in mind, how can we vote against the principle of improving occupational health and safety in our province? If we have problems with a couple of clauses in the bill of the member for Sudbury East, let us talk about them in committee after it has passed second reading.

Mr. Mackenzie: I rise to support my colleague's bill. I will try to be as reasoned and calm as I can, but I want to tell members there has seldom been a bill on the floor of this House that I think has more implications for workers in Ontario, for any member of this House and for this government, if it fails to take a serious look at putting this bill forward for some debate.

I think my colleague has done an admirable job in Ontario. I can tell members very frankly that he has a hell of a lot more respect than the Ministry of Labour has in terms of raising, researching and trying to focus on the issue of industrial health and safety for workers in Ontario. I can tell members also that this bill of his is the result of widespread consultation with dozens, probably hundreds, of people in the trade union movement, the Ontario Federation of Labour, safety and health groups and many independents. It is not a bill that was drafted without real, serious input from a variety of people directly involved, the frontline troops in safety and health matters in this province.

It stands in sharp contrast to the McKenzie-Laskin report. That is a disgrace. I want to get the figures from the government for the total cost of producing that. It is something this government should have to answer for. That assessment of the McKenzie-Laskin report is not just an assessment by this caucus. It is an assessment, almost unanimously, by the trade union movement, an assessment of hardened professionals in the trade union movement who know what the safety and health issue is all about. That is a disgrace.

I say to my colleague the member for Yorkview that he may come from a working-

class background and family, but he totally misunderstands—probably beaten only by his minister—the depth of feeling and the seriousness of the problem of safety and health in the work place. When he talks about amendments coming in from this government, he has totally lost his credibility, as this government has on this issue. One of the reasons they have lost it is the kind of nonsense we got in the McKenzie-Laskin report. I cannot for the life of me understand exactly where this government, given some of the things it has said during election campaigns, is going in safety and health in the work place.

This government literally does not have one organized effective body in the trade union movement that thinks it worth the powder to blow the government to hell when it comes to safety and health. Sooner or later, that has to sink through to these people.

On top of that, I cannot help but state—because how often do we get it thrown at us?—that the kind of ridiculous comments about the ideological biases that we saw from the authors of this report clearly indicates the stupidity and lack of any value of that report.

What are the problems? I am not going to go into great detail. I have only another seven minutes. They are designated substances. If we had followed a schedule, which we did not, that we had way back in the 1977-78 Labour estimates, a promise at that time—and this government has been no better than the previous government on this course—we would have 30 or 40 designated substances now. What do we have in Ontario? We have 10. We have considerably less even than they do in the United States. Many of them are not tough enough and some of the standards are not tough enough. With lead, we are not as good as they are in the US. We are allowing people into the plants at the level at which they take them out of the plants in the US.

We should be ashamed of the levels we have set in terms of polychlorinated biphenyls. With regard to styrene, there is a boat industry in Sweden, counter to what the Minister of Labour said in his response to one of my colleague's questions the other day, and the standards there are 25. They are 50 here now, and 100 if one is in boat-building, which can be even more dangerous than the actual production of it. We are a disgrace in terms of the standards in styrene.

I remember well the arguments—I think it was during the 1978 estimates—with Ministry of Labour people over the threat of arsenic and lung cancer to gold miners. I remember being told by Ministry of Labour personnel, some of whom are

still in that ministry—and that is one of this government's problems—that the arguments we were making about the threat to gold miners from lung cancer were ridiculous.

1140

I cannot remember the name of the lovely woman from Timmins who was down here at a press conference we had just recently.

Mr. Martel: Leger.

Mr. Mackenzie: Leger, representing some 30 or 40 other widows of gold miners who died as a result of lung cancer. We have not yet established it clearly as a cause with the Workers' Compensation Board, but we now recognize it is a problem, a problem about which this health and safety ministry was telling us we were nuts when we were raising it eight, nine, 10 years ago. I was involved in some of that. We have a legacy of widows and dead miners all over northern Ontario as a result of it.

The noise regulations: What the minister is doing on those noise regulations is an insult to and betrayal of workers. I remember well John Lennie of the United Steelworkers of America, now retired and having some health problems himself, telling me, "Bob, we may be facing as many as 50 per cent or 60 per cent of the workers at Stelco," the plant he knew best, "ending up with some hearing impairment when they retire."

I know of the letter—I do not have time to read it into the record—from Ken Valentine of the steelworkers to this minister just within the last two or three weeks, in which he asked him to start over again. He says: "What have you done to us? What are you doing to us? You are setting the standards at 90." They thought there was an agreement over the last couple of years on 85 decibels, which already causes fairly severe hearing problems. Now we are looking at regulations on noise, when we get them, that are going to be at a level that is going to do us no good whatsoever. As he said, and he is on the advisory committee appointed by this government, "A strict betrayal of the workers of Ontario."

The enforcement of orders: We have catalogued it day in and day out in this House. It simply does not happen. We wait too long. We wait months. We have orders issued and reissued and reissued, and there is no enforcement. There is no indication at all that the government is serious about the protection of workers in the work place. There is the reliance; on the internal responsibility system the assistant to the minister made it again today. He knows—how many times do we have to tell him?—that you can only

recommend. He also knows that the authority and the power in a joint health and safety committee today is with the company. There is no other answer.

I say directly to the parliamentary assistant to the minister, the thing that annoys me and the thing I have difficulty being rational on is that I do not think you will find a health and safety committee in Ontario, in any industrial plant and many other work plants, that will tell you otherwise or that will not give an argument. We have said that to his people, we have said that to his minister, we have said that to the assistant and we have said that to this government.

The internal responsibility system is a crock; it does not work. Why does he think he has the uproar? Why were 250 workers down here yesterday? I do not know what they said to the press. I know they interviewed many of them individually after the press conference and after they talked to the leadership. There was certainly no split, and I did not hear a worker telling him that internal responsibility was worth the powder to blow it to hell. It simply was not.

That does not provide protection. The workers have to be given the authority that my colleague speaks about. The internal responsibility system is simply not working in industrial safety and health in Ontario. There are not enough inspectors. I do not think the ministry has the money to hire enough, and that is exactly why we are making the argument as strongly as we can that the responsibility has to switch to the workers, substantially. It is the only one. An industrial site should never begin to hire enough. There is no reason there could not be a safety and health officer on every work site, but we also have to give them the authority. The same thing applies to the safety and health committees that we set up in the industrial establishments in this province.

We simply have to transfer that authority, and it is one of the things that my colleague speaks about and starts trying to do in his particular piece of legislation. We go after the ministry for workers' health and safety clinics. They made an application, well documented, supported by the Hamilton and District Labour Council, Local 1005, the Ontario Federation of Labour—I understand they are now in the process of updating that application—back in July 1985. We are still waiting for any kind of funding to move on that clinic, and that is not the only one we are having difficulty with across Ontario.

I do not know an area that really, seriously deals with this problem where his ministry has responded adequately. I honestly and truly do

not, and I am trying to be as rational as I can with that. The minister has a serious problem. The government may not like all of this bill. There is no credibility in what the minister is talking about. We have not seen it yet. We have not seen anything he has brought in that we like, nor have the workers—it is not just us—and many independents in the health and safety field as well. This gives us some concrete moves that are a little different, that do transfer some of that authority and do require a number of other changes that we need in terms of industrial health and safety.

We are saying: "Pass this bill and, for God's sake, for once, free the fetters across the way"—and I appeal to my Tory colleagues—"and send it out to committee. Let us take a serious look at where there may be shortcomings in it." We acknowledge that. I do not think I have ever felt as serious about an issue in my life as I have about this one. I am telling members right now that if the mood of this House is to reject my colleague's Bill 149 with the faint excuse that we have all kinds of amendments coming in—which is something we sure have not seen from this government—then this government is going to answer for it.

I am dead serious about that. I hope the government does not get carried away with what it thinks might be its popularity in the polls, because one thing workers do know is that we need changes drastically and the government's changes have not been those changes.

Mr. Knight: I am pleased to be able to participate in the debate on second reading of Bill 149 introduced by the member for Sudbury East. I might say that the member does articulate his concerns and solutions quite well. We might differ on the latter, but I assure him that we do not differ on the former.

My colleague the member for Yorkview has spoken about some components of Bill 149 and I would like to address several others.

Bill 149 extends the Occupational Health and Safety Act to farming operations. The Ontario Task Force on Health and Safety in Agriculture has made numerous recommendations regarding this and there is a consultation process under way, a process that was requested by the agricultural community itself. Agricultural community representatives have held extensive meetings with the Ministry of Agriculture and Food and the Ministry of Labour to ensure that this process covers all bases.

Bill 149 also says that schools and universities should be brought under the act. I remind honourable members that teachers are already

covered under the act by regulations. One of the most important areas of Bill 149 addresses the right to refuse work. Members know that Ontario has one of the most meaningful right-to-refuse-work provisions in the country.

Bill 149 would extend this provision to policemen, firemen and correctional officers. There is no doubt that their work is dangerous, but in extending this important right to police, firemen and correctional officers, one must be careful not to jeopardize public safety. Bill 149 is limited in that it does not address all the important questions surrounding this issue.

Bill 149 is seriously flawed in one other way. The concern about automatic substitutions that occur in some places when a worker refuses to work is not adequately addressed. There are other matters arising from Bill 149 that need some extra discussion with respect to the right to refuse work. One is the question of wage protection for workers under work stoppages for reasons of health and safety. Other concerns include to what extent the matter should be a shared responsibility, how long the refusal should last and what protection is proposed for abuse.

For my part, I believe it should be a shared responsibility. When this government took office, it found that the resources devoted to the occupational health and safety program had been seriously eroded. The program did not have the resources to deliver the services required under the act. It certainly did not have the resources to deliver a health and safety program that could meet the expectations of society and of government.

Since June 1985, the government has allocated about 98 new positions and about \$3.7 million to the program. These resources will enable increased inspection programs in the construction and industrial sectors. They will enhance the enforcement of designated-substance regulations. They will enhance the training provided to the inspectorate. They will help to improve the identification and control of unstable rock conditions in the mining industry.

Bill 149 represents one perspective on the question of health and safety. It is not the only perspective, nor I submit is it the proper perspective. The essential components of a proper health and safety regime are in the recognition of mutual shared responsibilities in the work place by work place parties. I, for one, am not interested in establishing a much more adversarial approach to the problem. I am certainly not interested in moving the balance on

committees away from a sharing and co-operative mix and relationship. Arising from this relationship, where the parties cannot or do not fulfil their responsibilities, the government must and will improve and enforce the law.

1150

Mr. Cousens: I rise to speak on Bill 149, the Occupational Health and Safety Amendment Act, proposed by our New Democratic Party colleague the member for Sudbury East. There is a limited time in which one can discuss and debate this bill, but I would like to make three points in the time that I have. The first point I will make is on the importance of safety in the work place. My second point is on the problems I see with this bill and why I cannot and will not support it. My third point is a recommendation I would like to present to the House on how we can have a safer work place.

No one in this House can underestimate the importance of safety in the work place, whether it is the safety of miners in Sudbury and Timmins, the safety of steelworkers in Hamilton and Sault Ste. Marie, the safety of auto workers in Oshawa and Oakville, the safety of our manufacturing work places in Cambridge and Windsor, the safety of our farmers in Northumberland and Haldimand-Norfolk or the safety of office workers in the Toronto-Dominion Centre or on Bank Street in Ottawa.

In transportation, harvesting lumber, hospitals and schools, in every part of the work place, safety is important. All of us in government, in business and in labour have to work together to make sure we have a work environment for employees and workers that is clean and accident-free. No one can deny the importance of this great subject and of the value of life and its importance for the economy of our province.

I would like to underline the problems with this bill and why I cannot support it. Unfortunately, because of the time constraint within this private members' period, one cannot make amendments to change the bill and to correct it. The bill itself is flawed. First, the power of the health and safety committees has shifted. The unions or employees will now control these committees. One wonders just what will be done with that control.

Smaller businesses and farmers across the province will now be compelled to have health and safety committees. This will be a new, forced mechanism to bring about certain changes which for them can happen in other ways. Plants and businesses could be shut down over disputed safety issues. The new act will provide unlimited

compensation for time lost because of safety-related work stoppages. The delicate balance of management and labour has now been shifted. The new act would change the health and safety committees into adversarial forums. I believe strongly that all people in management, in labour and in government must work together in a balanced way to come up with solutions that will address the safety of all people in the work place.

I also believe that the bill as presented by the NDP gives a new role to the safety inspector, who becomes a provincial offences officer. The emphasis now will be an adversarial policing function rather than an educational facilitator, which we have at present. This bill has problems in the very concept behind it, which suddenly shifts the power to one group rather than having a shared responsibility of management and employees working together to ensure that an environment is created for everybody to work in harmony.

It becomes a threatening scare to business people who want to start a business today. I think we have to consider that for business to survive and thrive, we want to create an environment for businesses to prosper and grow. That environment is one where you have the balanced relationship of both employees and employers working together to try to come up with solutions.

Mr. Martel: Where is it now?

Mr. Speaker: Order.

Mr. Cousens: I listened with patience to the speeches and addresses of other members, and I wish they would be more sensitive and more caring about other members' remarks in this democratic House.

I would like to make one recommendation that has to do with what the Minister of Labour could do. If he could meet with all elements of the community—with business, with labour and with management—to establish a joint commission of government, labour and management to sit down and devise a solution to the serious problems in the work place that concern all of us, and at the same time review the McKenzie-Laskin report in the light of the serious occurrences this bill addresses. This bill should be a signal to all employers that workers' safety is extremely serious. Let us seek a solution that is fair and just to all.

Further, the Minister of Labour should be bound to draft legislation that would take into account the concerns put forward by this joint commission after a full and proper discussion has taken place.

Through the debate this morning we have been alerted to the concerns of all people to the need for safety. We are concerned that safety continue to have an emphasis in Ontario, but we want to see a solution that addresses the concerns of all people so we can move forward together in a harmonious way to create an environment in which business can continue to prosper in this province. I believe that can happen. I do not believe we can do it by passing a bill this morning that is flawed in a number of ways. It tilts the balance from the beginning and there will not be the opportunity for those who consider other concerns to present those views fairly and squarely.

I hope that this House will reject Bill 149 this morning and that this House will come back to discuss at another time the whole subject of safety and bring forward balanced recommendations that reflect the kind of environment Ontario can and should have.

Mr. Martel: I want to quote a few statistics and destroy or dispel one myth that has been bandied around by both sides. In 1983, 232 workers were killed; in 1984, it was 234; in 1985, it was 193; in 1986, it was 211. There was one worker killed in this province each day for the last four or five years; 1,250 in the last five. The numbers of accidents in the last four years were 344,000 in 1983, 388,000 in 1984, 426,000 and 442,000. My friend who is a great advocate against smoking will be pleased to learn that the Ontario Law Reform Commission last week reported that 3,600 workers die annually from cancer induced from material they are exposed to in the work place.

Those are the statistics. Let me tell the member the other stats. There were 80,000 orders issued against management last year, the year before and the year before. I say to my friend, those are all contraventions of the act.

Let me dispel one myth that my friend across the way, the member who just spoke, tried to put across. There is no balance in the present legislation. The full power of this present legislation rests with management. In the internal responsibility system, the workers have nothing but an advisory capacity. He can talk about shifting the balance. I want to shift it in favour of the people who are dying in the work place every year. If that is too much to expect from this House, then there is something sick in this House.

I say that with the greatest conviction I have ever had with anything in my life.

FARMERS' RETIREMENT LOTS

Mr. Speaker: Mr. Cureatz has moved resolution 79.

All those in favour will please say "aye."

All those opposed will please say "nay."

In my opinion the ayes have it.

Motion agreed to.

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OCCUPATIONAL HEALTH AND SAFETY AMENDMENT ACT

The House divided on Mr. Martel's motion for second reading of Bill 149, which was agreed to on the following vote:

Ayes

Allen, Bactz, Breagh, Bryden, Charlton, Cooke, D. S., Davis, Fish, Foulds, Gillies, Gordon, Grande, Grier, Guindon, Haggerty, Hayes, Henderson, Hennessy, Johnston, R. F., Lane, Laughren, Lupusella, Mackenzie, Mancini, Martel, McCague, McClellan, McLean, McNeil, Mitchell, Morin, Morin-Strom, Philip, Pollock, Pouliot, Rae, Reville, Sheppard, Sterling, Treleaven, Warner, Wildman.

Nays

Andrewes, Barlow, Bossy, Brandt, Conway, Cooke, D. R., Cordiano, Cousens, Dean, Epp, Ferraro, Gregory, Jackson, Knight, Marland, McKessock, Miller, G. I., Newman, Offer, Polsinelli, Reycraft, Rowe, Runciman, Smith, D. W., Stevenson, K. R., Taylor, Villeneuve.

Ayes 42; nays 27.

Mr. Speaker: Does the bill automatically go to committee of the whole House?

Mr. Martel: No, the standing committee on resources development.

Mr. Gregory: On a point of order, Mr. Speaker: Could we ask the Clerk of the House for that count again? Twenty-seven votes against does not sound reasonable.

Interjections.

Mr. Gregory: We can count over here too.

Mr. Speaker: I will have to ask the members for majority approval. The standing orders state there must be majority approval to go to standing committee. Is it agreed? Agreed.

Bill ordered for standing committee on resources development.

The House recessed at 12:10 p.m.

AFTERNOON SITTING

The House resumed at 1:30 p.m.

MEMBERS' STATEMENTS

ACCESS TO HEALTH SERVICES

Mr. McLean: With the government's institution of socialized medicine in Ontario, there is a growing number of specialized services being withdrawn or otherwise becoming unavailable. I am referring to the fact that extremely highly skilled specialist surgeons such as the few who perform microsurgical procedures have determined that they simply can no longer afford the time to perform those procedures on patients because of the inadequate payment available from the Ontario health insurance plan.

A constituent doctor with whom I have been in contact has explained that, because of the lack of funding from OHIP, he no longer has the services of one specialist in Toronto who performed microsurgical procedures. These patients are being denied the services of the highly skilled specialists of Ontario and are now being referred to a government clinic. No longer may these patients make their appointments through their trusted family doctor. They must drive long distances to a major medical centre such as Toronto to sit and wait at some government clinic, shorn of dignity and privacy. I shudder to think of the extra stress this causes the aged and the infirm.

The Minister of Health (Mr. Elston) must accept that the needs of medical professionals are interwoven with the needs of those they serve and that he cannot play with people's lives by creating impossible barriers that prevent the proper care of the citizens of Ontario.

SCHOOL FUNDING

Mr. Allen: I would like to reflect for a moment on the announcement made by the Minister of Tourism and Recreation (Mr. Eakins) on Monday that the government was providing \$3.5 million for the consolidation of elementary school instruction in Victoria county, thus closing five small elementary schools and, at the same time, subjecting children in that county to one and a half hours on the bus in the morning and one and a half hours to return in the afternoon, for a total of three hours in a school day of about five to five and a half hours. At the same time, the government refused \$700,000 of renovation money that would have made it

possible to maintain those five small schools as effective instructional units.

For some reason, conventional wisdom and the ego of ministers suggest that large and big in schooling are better and that small is somehow or other to be despised. In fact, recent research makes it quite plain that small instructional units can be very effective, certainly as effective as large, if they are given proper support. Urban schools, now emphasizing individual instruction, cross-age and family grouping, peer tutoring and so on, appear to be mimicking the small schools.

I say shame on the government, shame on the minister and hooray for the Haliburton board, which decided in the last few days to keep its 20-student school open.

ANIMAL RIGHTS

Mr. McGuigan: I believe it is time that members spoke out on the subject of animal rights. I want to make it clear that whether one is an animal lover or not the mistreatment of animals is something that any sensitive individual cannot tolerate.

One has to wonder about the value system of animal activists who place their obsession with humanity towards animals above the wellbeing of human beings. These animal worshippers, if they had their way, would wreak genocide on northern peoples, whose very existence depends on animals to provide them with food and shelter and a way of life. In the land of the midnight sun, the climate eliminates vegetation on which man can live, but not vegetation on which animals can feed. In the six-month period when little or no sun deprives mankind of the ability to synthesize the sunshine vitamins, these people would die of scurvy were it not for the vitamins they receive from vitamins stored in the fish and animals' fats and oils.

These animal worshippers reject the scientific theory that man evolved on this planet as a meat eater. The facts are that man ate raw meat before fire was discovered and mastered, whereas it is impossible to eat raw grain. Raw grain creates a raging brewery in the human digestive system. Further proof is that there are few, if any, cases of man being allergic to meat, whereas cases of allergic reaction and even fatal reaction to plant foods are very common.

If these people believe animals are equal to man in the—

Mr. Speaker: I am sorry. The member's time has expired.

SCHOOL FUNDING

Mr. Stevenson: Today I want to address the special needs for increased funding in education, particularly in the northern municipalities of York and Durham regions. I am going to use specific figures for York region. When the educational needs of York and Durham regions are discussed, usually the rapid growth areas in the south end of these two regional municipalities get the most attention.

I wish to point out to the Minister of Education (Mr. Conway) and to this House that the problem of funding is not isolated to the most southerly municipalities. Specifically, in York region, when we rank the number of portables per school, Georgina has the highest with 4.8 per school, followed in ranking by Markham, Newmarket and East Gwillimbury, in the 10 municipalities.

When we look at building utilization, the ratepayers' group which got these figures, came up with the following order: Markham, Georgina, Newmarket and East Gwillimbury. When we look at the number of students per teaching space, again, the ranking came out: Georgina, East Gwillimbury and then Markham. Even with excellent representation on the school boards, the special needs of these more northerly municipalities in these regions have not been addressed. I urge the minister and the ministry to keep in mind the situations in these municipalities when these rapidly growing areas come to them.

LABOUR DISPUTE

Mr. D. S. Cooke: The other day during question period I raised the issue of the strike at Maple Leaf Monarch in Windsor, a company that has advertised in our local newspaper with the following advertisement: "Temporary production workers, Maple Leaf Monarch, a division of Archer Daniels Midland Agri Industries Ltd. is hiring for temporary production workers in the plant. The beginning rate is \$14.03 an hour."

In addition to this advertisement, where it was asking for rents, the local Manpower office was recruiting scabs for this company. In interviews that took place with the Minister of Labour (Mr. Wrye) after question period, the answer for the Minister was that he would not be involved in the labour dispute. I would like to see the Minister involved in the labour dispute.

"Wrye refused to say whether or not he approves of the company's attempts to hire temporary workers during the strike which began on January 25. Pressed later by reporters to say whether he personally opposed the hiring of strikebreakers, Wrye said, 'I am not going to express any views on it. The laws in this province are clear. The laws allow replacement workers.'"

If the Minister of Labour wants to be the minister for labour, he should introduce legislation in this province similar to that in Quebec and outlaw the use of scabs during legal strikes.

TAX REVENUES

Mr. Ward: Recently, the Leader of the Opposition (Mr. Grossman) made several public statements suggesting there should be significant tax cuts in this province. Although this kind of proposal has a simplistic appeal, it ignores reality. Shortly after the May 1985 election, the previous government introduced a budget with a projected \$2.6-billion deficit. By comparison, in just two budgetary periods, it would appear the deficit would be reduced to somewhere in the neighbourhood of \$1.3 billion.

In addition, it should be remembered that in 1985 youth unemployment was nearly at 20 per cent. The universities in this province were funded at the lowest level of any jurisdiction in Canada. Our education system was deteriorating badly through a lack of capital funding.

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As a result of these pressing needs and many others, I believe this government has acted responsibly in ensuring that our health care system is adequately funded over the next five years; that our university system was entitled to and received a rather significant 11 per cent increase; that capital funds for our public school system increased by over 50 per cent.

In short, I believe this government has overwhelmingly responded to the concerns of our citizens and has acted responsibly. About the only thing that can be said in defence of the former Treasurer's proposal is that under his management, the least of their worries was surplus revenues.

CITY OF TIMMINS

Mr. Papp: I wish to draw the attention of the members of the assembly to the fact that this year the City of Timmins, in its own right, was elected to the Legislative Assembly of Ontario. It is a fact that the City of Timmins is a member of the Legislative Assembly of Ontario.

On behalf of Mayor Vic Power and Bill Boychuck, chairman of the 75th anniversary, I would like to invite all members to come and visit us this year.

MEMBERS' PRIVILEGES

Mr. Laughren: On a point of privilege, Mr. Speaker: On November 20, this Legislature passed for second reading the Ontario Lottery Corporation Amendment Act. It was passed by all three parties and then referred to the standing committee on resources development. We proceeded to schedule hearings for this week, and they are continuing today.

Since Monday, as chairman of that committee responsible for the scheduling, I have been subjected to harassment and personal abuse by people who are opposed to this bill. I have been called a liar, a crook, and accused of taking a bribe from the Ontario Lottery Corp. I have received telephone messages from a Dr. Cyanide and from the Slaughterhouse Corp.

I have made arrangements for security measures in the committee this afternoon, but I can say that in my 15 years as a member, I have been lobbied by a wide diversity of organizations and individuals and not once have I been lobbied in a way that I thought was inappropriate until this week. I find it totally unacceptable that any member of this assembly should be subjected to that kind of lobbying simply because that member is doing his or her job. It is not because it is I who am involved in this case; I do not think any member should be subjected to that kind of harassment simply for trying to do the job.

I would ask that this entire matter be referred to the standing committee on the Legislative Assembly.

Hon. Mr. Peterson: This is the first I have heard of this situation, but I completely support every remark the honourable member made. He will have the support of the government in fulfilling his ambitions in this regard. We cannot tolerate any of that kind of harassment in this House. The member is quite right to bring it to the attention of the House. He will have whatever security arrangements are necessary for the committee, for himself, or for anyone else who goes into this.

You may want to investigate this even further, Mr. Speaker, through police investigations or whatever. That should not go on in the circumstances. If the member recommends it, knowing the details personally and intimately, we can certainly have the Ontario Provincial Police look into the matter.

Mr. Stevenson: On behalf of our party, and being a member of the resources development committee, I would say we have also been receiving a number of phone calls, some of them fairly forceful, but at least to my office none of them intimidating. I do, however, certainly take the member at his word. Assuming the calls are what he says they are, we certainly support that the matter be looked into.

Mr. Speaker: Are there any other comments? As the member for Nickel Belt (Mr. Laughren) has brought this matter to the attention of the members of the House, supported by the other two members who have spoken, it would appear to me that it is the feeling of the House that there may be a possibility of a case of privilege. If the member desires to present a motion to the House, I think that would be in order.

Do you wish to make a motion now?

Mr. Laughren: If it is appropriate to do it in a verbal way, I will do so.

Mr. Speaker: Mr. Laughren moves that this matter be referred to the standing committee on the Legislative Assembly.

Motion agreed to.

Mr. Speaker: As usual, we prefer the motion in writing, if the member would present that to the chair.

STATEMENT BY THE MINISTRY

INTERVENER FUNDING

Hon. Mr. Bradley: One of my first initiatives as the Minister of the Environment was to declare the Ontario Waste Management Corp.'s proposals for industrial waste treatment and disposal subject to the full process of environmental assessment under the act.

I decided at the outset that this proposed undertaking required and deserved the best planning and most rigorous public review. Realizing that lack of resources is a barrier to effective citizen participation in projects of this scope, I have made a commitment to intervener funding. Today I am announcing the funding program.

Within the coming month, the chairman of the Environmental Assessment Board will appoint an independent funding panel to conduct a funding hearing in Toronto and near the municipality where the OWMC site is proposed.

Citizens' groups, public interest and ratepayer groups and the local and regional municipality are eligible for funding under the criteria provided to the board.

In its initial hearing, the funding panel will identify all public interest participants who wish to appear in the consolidated hearing to be held jointly by the Environmental Assessment Board and the Ontario Municipal Board. The panel will provide them with the basic ground rules in terms of eligibility and administration of funding. It may also consider and make recommendations on requests to amend these ground rules.

The proposed criteria for the funding include the provision that up to 60 per cent of an eligible group's approved costs and up to 100 per cent of legal fees, based on legal aid tariff, will be paid by the province.

To minimize duplication of effort and to eliminate unnecessary costs to the taxpayer, the panel will be urged to make every effort to encourage joint effort. If two or more parties have interests and positions that are essentially the same, they will be urged to make joint submissions with common expert witnesses and legal counsel.

At the same time, we have made it clear that this funding is to encourage a focused, thorough and timely review of the proposals and to help ensure that the public's concerns are fully considered in the consolidated hearing.

Within 60 days of the funding hearing, we expect the funding panel to advise the government on the number of potential participants in the consolidated hearing, the funding criteria and the total amount of funding required. This process is a key element in the proper planning and development of industrial waste facilities in Ontario.

The Environmental Assessment Act and the Municipal Act, which apply to the review of the OWMC's proposal, are the best vehicles to ensure thorough public review and evaluation of the proposal.

The process has begun to provide the resources to local municipalities, citizens and public interest groups so they can participate fully and contribute their knowledge and expertise to that public review and evaluation. Everything is in place for full public involvement in an important public decision.

RESPONSES

INTERVENER FUNDING

Mr. Andrewes: I wish to respond to the statement of the Minister of the Environment (Mr. Bradley). My colleague the member for Sarnia (Mr. Brandt) tells me this is a reiteration of a commitment he made while he was the Minister of the Environment. We are always

pleased to hear from the minister on policies that were initiated by the Progressive Conservatives and that he sees fit, as the Liberal Minister of the Environment, to support.

This move is in no small way a result of considerable badgering on the part of groups that have a fundamental and primary interest in the Ontario Waste Management Corp.'s activity in the riding of Lincoln, not the least this member himself, who has on occasion, by way of statements, questions and whatever other vehicles at his disposal, pressed the minister for response on this issue.

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I feel very strongly about that response because the whole credibility of the process is at stake. If a crown corporation with the resource that the OWMC has at its disposal is allowed to be the only one at the hearing who can make an effective presentation because of those resources, then the hearing process becomes a sham. It is certainly most appropriate, in this case and in others, that the Minister of the Environment come to grips with the whole process of intervener funding that has been recommended to him by several people, including the courts of Ontario.

Dr. Chant and the OWMC indicated some time ago—I believe two or three weeks ago—that they are preparing to go to public hearings some time next fall. Although the announcement by the minister today is timely, it would have been even more timely had it come six months ago. I would urge the minister in his discussions with Dr. Chant to review the timeliness of the fall 1987 hearing, and I would suggest that since this process is now under way and resources are going to be made available, Dr. Chant should reconsider his attempted date of the fall of 1987.

Mr. Rae: I want to say to the minister that we welcome his announcement today. I might have thought he might have made reference to the number of questions that have been asked in this House by the member for Lakeshore (Mrs. Grier) with respect to the question of intervenor funding. It might have indicated a level of generosity on the part of the government that while uncharacteristic, might have been welcome in its uniqueness.

But I do want to say to the minister that it is obviously something that is necessary. A number of hearings have been held where there has not been appropriate funding. I can think of the environmental hearing, for example, in London which involved a number of groups that were not

aded, with respect to the stack at Victoria hospital.

This is indeed a welcome move and I look forward to a very lively process of representation from the communities with respect to this very important matter. I want to say this is one move of the government that we welcome.

Mr. Reville: In a spirit of generosity, I would like to offer for the Minister of the Environment's consideration yet another initiative in this respect: that he should make all waste management proposals, be they public, private or crown corporation proposals, subject to the full process of environmental assessment under the act and that intervener funding be provided to those citizens' groups so that they can have full access to the process.

I would commend this action to the minister, particularly in the case of any energy-from-waste proposals that might occur in south Riverdale and elsewhere across the province, of which I believe there are 16 on the drawing board. It would be a good time for the minister to beg the House for leave to speak again so that he can announce that he is going to accept our generous offer and make all waste management proposals subject to the full process of environmental assessment, and with intervener funding of such a magnitude that citizens' groups can clearly be involved in the process, as I know he wants them to be.

ORAL QUESTIONS

TAX REVENUES

Mr. Grossman: I have a question for the Treasurer. We might call it "Let's find the missing billion dollars." In trying to help determine just how he managed to move around some of the money, I have a very simple and straightforward question for him coming out of yesterday's financial statement.

He has reported under his expenditure increases a \$36-million increase for his own Ministry of Treasury and Economics, reflecting "the reclassification to operating from capital expenditure."

Can the Treasurer explain how, when he moves \$36 million from a capital expenditure to an operating expenditure, that increases his total spending by \$36 million?

Hon. Mr. Nixon: Actually, it does not. It occurs on the expenditure side. We decrease the segment labelled "capital expenditure"—or at least we increase it—and remove it from the Ministry of Treasury and Economics.

It is interesting to note that when this budgetary item was first put forward, it was thought it would be used for assistance of a

certain type for the economy across the province; but with the situation involving northern Ontario, particularly the community economic transformation agreement program, which the honourable member will remember, we felt the funding was better reported as indicated in the Ontario Finances.

Since there was that change in the numbers, balanced, without changing the effect, we felt the honourable member would like a note of explanation.

Mr. Grossman: If this accounts for "an increase in expenditures," one speculates on the absence from the Treasurer's accounting, which he so carefully laid out here, of an explanation that he had, in fact, reduced capital expenditures in the following areas to account for a reduction in capital spending of \$36 million. He did not report that in his financial statements, yet that is the explanation he wants to offer to the House today.

In addition to this \$36 million, this morning we called Revenue, one of the Treasurer's other ministries, to try to find out where it had spent its extra \$17 million. We know it did not spend it on the guaranteed annual income system for the aged or the disabled, Gains-A or Gains-D. We wanted to find out where Revenue might have spent that money.

Lo and behold, this new phrase the Treasurer has developed to hide money popped up again. We were told the \$30-million increase in spending has resulted from—listen to this phrase—transfer of small business development corporation moneys from capital to operating. It begins to have a certain ring about it.

My question of the Treasurer, once again, is this: we have now found \$66 million of increased expenditures allegedly having occurred because he has moved an item from capital to operating spending.

Mr. Speaker: Question, please.

Mr. Grossman: Can the Treasurer try, once again, to explain to the public of Ontario how that additional \$66 million was invested on its behalf?

Hon. Mr. Nixon: The Ministry of Revenue has the responsibility for the SBDC program, which, once again, the honourable member is aware of. We inherited that. There is going to be an underspending in that allocation, although it has been extensively advertised and taken up in northern and eastern Ontario. We may have been a bit generous in its allocation. It is going to be transferred to regular utilization in the ministry for a number of programs in that connection.

Mr. Grossman: If the Treasurer has under-spent in one area, i.e., capital investment, which creates a lot of jobs, he surely should report that in his quarterly statements. That is the practice.

In his answer a moment ago—which, when he gets back to the ministry, he may want to rethink—he suggested that there is \$66 million worth of capital projects which he is not proceeding with and he has therefore moved them to operating.

My final question is this: is the Treasurer saying, as I heard his first two answers, that he has stopped \$66 million worth of capital expenditures, as is reflected in the statement? Second, can he explain how, when there is underspending in one area and overspending in another area, he stands up and reports a net increase of spending of \$66 million, which is just a transfer from one account to another?

Hon. Mr. Nixon: The honourable member probably is not aware that since his days in the Treasury there have been a number of substantial changes, one of them being that the capital accounts from all ministries are reported under one item and the operating accounts are reported separately. When we transfer from one to the other with the approval of Management Board, it is reported in this particular way.

There is nothing concealed. The honourable member seems to have a penchant for finding conspiracies in the financing of the affairs of the province. I can assure you, Mr. Speaker, and every other reasonable person that there is no conspiracy. This is open reporting of the business of the people.

Mr. Grossman: No one, including the Treasurer's banker, would believe that.

1400

GUARANTEED ANNUAL INCOME SYSTEM

Mr. Grossman: I have a question for the Premier. Could the Premier tell us whether he believes that \$7,260 a year is an adequate income for a single disabled person in Ontario?

Hon. Mr. Peterson: Obviously, it would be extremely difficult to live on that amount of money; there is no question about it.

Mr. Grossman: The federal government, as was discussed in this House yesterday, made available an extra \$150 a month for those single disabled people, and the Premier and this government have chosen not to pass on half of that money on to the single disabled people in this

province who are being asked by him to live on \$7,260 a year.

My question to the Premier is this: if he believes what he said a moment ago, that \$7,260 is not an adequate income for the single disabled in this province, why does he not pass on the money?

Hon. Mr. Peterson: I think the minister could better answer that question.

Mr. Grossman: No; this is a supplementary.

Hon. Mr. Nixon: He is referring this to the minister.

Mr. Gillies: You cannot refer a supplementary question.

Mr. Speaker: Order. As I well recall, there are many occasions when ministers have transferred the question or the supplementary.

Mr. Gillies: The supplementary, Mr. Speaker?

Mr. Speaker: Yes. I understand the Premier has asked the minister to respond.

REDIRECTION OF QUESTIONS

Mr. Harris: On a point of order, Mr. Speaker: I do not have a difficulty with the Minister of Community and Social Services (Mr. Sweeney) answering a question that the Premier (Mr. Peterson) does not understand. However, Mr. Speaker, you have indicated many examples where this has occurred, and to my recollection—and I admit I have not been here as many years as some—it strikes me that this is a precedent I have never seen before, and I would ask you to check that.

Mr. Speaker: I will be glad to check it.

GUARANTEED ANNUAL INCOME SYSTEM

Hon. Mr. Sweeney: The Leader of the Opposition (Mr. Grossman) will be aware of the fact that the changes in the Canada pension plan were agreed to all across the country. It was not just in this province and it was not just by the federal government; it was a joint agreement by the provinces and the federal government.

The effect in Ontario is that some 80,000 disabled people will receive that increase. Of those 80,000, approximately 13,000 also receive some top-up benefits from the family benefits program of my ministry. The other agreement between the federal and provincial governments is that when that extra money comes in, we must deduct dollar for dollar from our program to that level. That is what we have done.

I would also point out to the honourable member that there are about 83,000 people in the province who receive a benefit, and we would have no way of giving that additional benefit just to those 13,000. We would have to give it to all 83,000, and quite frankly we cannot afford to do that.

Mr. Grossman: He cannot afford to do that? Yesterday the Treasurer (Mr. Nixon) admitted to having \$919 million additional over his original budget requirements to spend on the people of Ontario. He just reported a moment ago that he is shifting money between capital and operating accounts willy-nilly to the tune of \$65 million; his government attempted to give \$17 million to a friend of the Premier for Exploracom on the waterfront; it has reduced its high-tech fund from \$100 million to \$100,000, and the minister can stand up today and say he cannot afford to pass on a meagre sum of money to people who his Premier (Mr. Peterson) said a moment ago would find a difficult time living on \$7,200 a year.

My question to the minister is this—

Mr. Speaker: Order. I thought that was your question.

Mr. Grossman: No, it was not.

Mr. Speaker: Question, please.

Mr. Grossman: My question to the minister is this: given the fact that the Treasurer reported \$919 million additional dollars coming in this year, and given the fact that disabled people are expected to live on \$19 a day, how does the minister justify the fact that disabled seniors live on \$19.89 a day while executive assistants to the Minister of the Environment (Mr. Bradley) live on \$167 a day or \$60,000 a year.

Hon. Mr. Sweeney: The figures the honourable leader quotes do reflect the quarterly report of Ontario Finances, and he will find in there that the Treasurer has allocated to my ministry an additional \$92 million for a range of social services. He will also find that the Treasurer has allocated to the Ministry of Health, the Ministry of Education and the Ministry of the Environment additional sums of money which the member and his colleagues have indicated should be allocated. It cannot be done both ways.

Mr. Grossman: How much do the disabled get?

Mr. Speaker: Order.

Mr. R. F. Johnston: My question is to the Premier. Yesterday was not a good day for disabled people in the province. First, there was the knowledge of the Premier's affront to one sector of that population and then his apology.

Then we gave evidence of 13,000 people being ripped off by the government's not passing through that Canada pension plan amount in its totality.

Can the Premier explain to me why, with the provincial \$1-billion windfall, he cannot do what he talked so much about before he was elected Premier, and that is to make a major move towards narrowing the gap in this province between Gains-D recipients, who are disabled, and Gains-A recipients, who are elderly? Before he became Premier, he said he was committed to that.

Hon. Mr. Peterson: I will refer that to the minister.

Mr. Stevenson: Why do you not get briefed between pictures?

Mr. Speaker: Order. I understand that is referred to the Minister of Community and Social Services.

Hon. Mr. Sweeney: In fact, the gap between the seniors on Gains-A and the physically disabled on Gains-D has been narrowed. I would draw to my honourable colleague's attention, however, that while the support that we provide to the elderly is restricted to Gains-A, there are a number of other support mechanisms that we provide to the disabled that are not available to the elderly.

For example, for the disabled who have earnings there is a basic earnings exemption of \$175, which is not available to the elderly. There is an automatic dental program for the disabled that is not available to the elderly. There is a payment to the disabled of 100 per cent of heating fuel costs, which is not available to the elderly. There is a whole series of other programs that we have made available to the disabled, including the attendant care program, the integrated homemaker program and the sheltered workshop program. The narrowing of the gap is done in different ways.

Mr. R. F. Johnston: I wish to go back to the Premier, because it was a matter of government policy I was asking for, not the kind of nonsense that we have been getting from Frank Drea over there.

Mr. Speaker: Order. Does the honourable member have a supplementary for the Minister of Community and Social Services?

Mr. R. F. Johnston: Why can I not direct it back to the minister I asked the first question of?

Mr. Martel: He has a right to direct his question where he wants it to go.

Mr. Speaker: Order.

REDIRECTION OF QUESTIONS

Mr. McClellan: I have a point of order, Mr. Speaker. You have to hear my point of order.

Mr. Speaker: I was hoping to. I understood that I would be able to hear it now.

1410

Mr. McClellan: Mr. Speaker, there is nothing in the standing orders that permits the Premier (Mr. Peterson) to refuse to accept a supplementary question, and there is nothing in the standing orders that permits you to rule that my colleague cannot redirect his supplementary to the minister. As a matter of fact, the standing order says, "A minister to whom any oral question is directed may refer the question to another member who is a member of a board or commission to which the question applies."

There is no excuse, except a fear, I think, of answering the question, a cowardice on the part of the Premier in refusing to answer this question. There is nothing in the standing orders that permits you to refuse to allow my colleague to ask this question.

Mr. Speaker: On the same point of order, the member for Nipissing.

Mr. Harris: Mr. Speaker, if you will check your precedents—103.9, a precedent from "May 1, 1981 (see 102.11)"; and also a precedent from November 24, 1981, pages 3832 and 3833 of Hansard—you will see that "only original question, not supplementary question, may be redirected."

I suggest, as I pointed out earlier, that you set a new historical, first-time ruling precedent in the history of this House. I now think that has been verified. I suggest one of two things has to occur. You must allow it to be both ways. If a supplementary arises out of an answer that should follow to another minister, then you have to allow it that way, if you are going to allow a redirect after the original question has been answered; or you should apologize for the error in your ruling at the beginning and start all over.

Hon. Mr. Nixon: Mr. Speaker, I think you handled the situation rather well.

Mr. Grossman: Did you enjoy the pipeline debate?

Hon. Mr. Nixon: Yes.

The Speaker said he would consider the ruling, and until he had a chance to make the ruling he would allow the question period to go forward. Honestly, I am not at all sure the precedents quoted by the House leader for the official

opposition, which were based on an orderly and rational question process, can really take account of the introverted, backward approach to the question period shown by the Leader of the Opposition (Mr. Grossman). After all, he said, "Is this enough money to live on?" The Premier answered the question. Then the member wanted the details of a program that is the prerogative and responsibility of the minister. What could be more reasonable than referring it to the official?

Interjections.

Mr. Speaker: Order. I hope all members are aware that I have tried to be as fair as possible and tried to uphold the traditions that have been set in this Legislature. I appreciate there are other legislative chambers where the rules are somewhat different than here.

Mr. Gillies: This one is ours.

Mr. Speaker: Order. I agreed with what the honourable member requested earlier regarding the first point made during this question period. However, I must state, and I am sure all members will agree, that when a supplementary arises out of a response, that supplementary must go to the—

Interjections.

Mr. Speaker: Order.

Mr. Gillies: Stop the clock.

Mr. Speaker: Order. No.

There have been many occasions when members have wanted to redirect questions to other ministers. It has always been my understanding that it has always been the case here that a supplementary must flow from the answer.

Mr. Martel: I want to see where that is. You are going to produce that somewhere, are you?

Mr. Speaker: Order. The answer was given by the Minister of Community and Social Services; therefore, the supplementary must go to the minister.

Mr. R. F. Johnston: Mr. Speaker, I would ask you, if I might, to look at my question. I directed it specifically to the Premier about things he said, and it should not have been redirected. I would like you to look at that. It was not appropriate.

GUARANTEED ANNUAL INCOME SYSTEM

Mr. R. F. Johnston: Can the Minister of Community and Social Services explain why it is his policy not to pass through this entire amount of \$150 while all the private insurance companies of this province, not always known for their

largess, are not affecting the private rates for disabled people across the province but are passing through the entire CPP amount?

Hon. Mr. Sweeney: I would presume the reason is that they do not have, as we have, a contractual agreement between the two levels of government that we must reduce the increase dollar for dollar. There are 83,000 Gains-D recipients in the province and 13,000 of the 83,000 are also receiving CPP. The arrangement under our program is that if the CPP payments due to those recipients fall below a certain amount, then we will top it up with our family benefits program. That is what we do. When their total income from all sources exceeds that amount, then we do not top it up.

My understanding is that the only way we can continue with our contractual relationship with the federal government is if we top up by a similar amount all 83,000, not just the 13,000. The cost of that would be in the neighbourhood of \$200 million.

Mr. R. F. Johnston: It may very well be, but I might also remind the minister that it was his policy that this should be done, that he should move towards Gains-A and not to supplementary programs in the ridiculous way he was saying before.

I want to ask the question because it came out of the mouth of the Treasurer (Mr. Nixon) just a second ago that this is a tradeoff from the Canada assistance plan. Is that exactly what is happening? Is this a tradeoff or deal the minister has made with the federal government of savings basically just being transferred out into the Canada assistance plan from CPP? Is that what is happening here?

Hon. Mr. Sweeney: That is not what I was trying to suggest. What I was saying is that a range of benefit increases was agreed to by the federal government and all the provinces. This happens to be one of them.

The other reference I made was that our agreement, not just for this program but for all transfer funding programs between ourselves and the federal government, is based on a needs test, and I have described what that is. When income increases from one source, we must reduce it from the other source because the federal government quite fairly argues with us that if it is giving extra money on CPP, it is not prepared to give the same amount of money to the same person through transfer sharing costs.

Mr. Rae: What the minister is clearly saying is that people who are on welfare are, in effect, paying for the CPP increases, which I would

think anybody in his right mind would regard as a social obscenity in 1987.

DAY CARE

Mr. Rae: I would like to ask the Premier a question in relationship to a fundamental point of policy. I do not know whether he is going to duck this question as well or whether he is going to be able to answer it. It relates to a series of very unsatisfactory exchanges I have had with the Minister of Community and Social Services (Mr. Sweeney) on the question of day care.

If the city of Toronto started paying a direct grant in 1984 to nonprofit centres in the city, and the Treasurer (Mr. Nixon) has just announced yesterday a \$919-million increase on the revenue side, a \$919-million windfall just in the last year, can the Premier tell us why the people of Ontario have still not seen a plan whereby nonprofit day care centres are funded on an operating basis by Ontario?

1420

Hon. Mr. Peterson: The minister speaks for the government on that issue and I am going to refer it to the minister.

Hon. Mr. Sweeney: As the honourable leader of the New Democratic Party referred to it earlier, it is possible under the present agreement we have between ourselves and the federal government for us to pay a direct grant to a nonprofit centre; but since those nonprofit centres represent only 50 per cent of the system, it has seemed to us as the government that it would not be equitable, fair or just to give the additional money and have the parents in half the system benefit from it and the parents in the other half of the system not be able to benefit.

This is why we have gone to our federal colleagues and asked for a change in the criteria so that we are able to share that money with all the families in the province that are using day care centres in Ontario. That seems the fair and just thing to do.

Mr. Rae: I would like to get back to the question of how much it is costing working families. We have already demonstrated with respect to what is happening to disabled people that they are the ones who now are paying the cost for the increase in Canada pension plan. We can demonstrate that working families are paying the cost. At the same time as that is taking place, the government of Ontario is reaping an incredible windfall in terms of revenues over the past year. It is an incredible unfairness.

Can the minister tell us why he will not carry out a program that would allow for the direct

funding of nonprofit centres at precisely the time when the government of Ontario has the money and at precisely the time when working families, as a result of his failure to provide it, are having to pay literally tens of millions of dollars out of their own pockets for a service that most people in this province feel ought to be there as a matter of right, and which the Premier even agreed in the accord would be there as matter of right and not as a matter of welfare? Why does he continue to operate it as a welfare service when it should be there as a matter of right?

Hon. Mr. Sweeney: The leader is correct in terms of our clearly enunciated intention to move the day care system in Ontario from a welfare system to a public service system. He is also very much aware that my Premier, just a couple of months ago in Ottawa, indicated very clearly that it is the intent of this province to move on a number of fronts. Direct grants to day care centres is one of those fronts. We have said we are going to do that. What we are trying to do now is to put together a mechanism and a process that will enable us to do it in the fairest and most just way to all the families in Ontario, and not just to 50 per cent.

Mr. Rae: The minister has talked with pride on many occasions about the number of new subsidized spaces the government has provided for. I wonder whether he would care to comment on the fact that in Metro Toronto alone, allowing for whatever increase took place over the last two years, there now are 2,308 families waiting for subsidized spaces—these are the Metro Toronto figures—which is a 50 per cent increase over last year.

How does the minister justify sitting on his duff? He says the Premier was in Ottawa. Most of us know only that he had his picture on the front page of the Toronto Star skating on the Rideau Canal and jumping over barrels. He should give us a break. When is the minister going to move on an issue that matters to people? Working families are having to pay out of their own pockets when the government is rolling in dough, is rolling in money and is unable to provide for basic benefits for working people, forcing them to get it out of their own pockets. How does he justify that?

Hon. Mr. Sweeney: We have co-operated very closely with Metro Toronto with respect to subsidized spaces. I can point out to him that approximately 2,700 new subsidized spaces were allocated to Metro Toronto over the last 18 months. The officials of Metropolitan Toronto have very clearly indicated to us that this is the

largest allocation of day care spaces it has had in its history over that period of time. We will continue to move in that direction.

SALE OF LANDS

Mr. Gillies: My question is for the Premier. In the Premier's absence yesterday, we questioned in the House the knowledge, or lack of same, and the involvement of several of his ministers with regard to allegations of municipal corruption in the town of Vaughan. In the course of that questioning, we received a great deal of conflicting information. The Minister of Colleges and Universities (Mr. Sorbara) indicated he brought this matter to the attention of his colleague the Minister of Municipal Affairs (Mr. Grandmaitre) in May of last year. The Minister of Municipal Affairs denies ever having discussed the matter with the other minister.

We could question about this matter from here until kingdom come in this House and probably never get all the facts. What we would like to know is whether the Premier as leader of the government has sat down with his two cabinet colleagues and tried to get to the bottom of this matter.

Hon. Mr. Peterson: No, I have not sat down with the two of them. It is in the hands of the Ontario Provincial Police, as it appropriately should be.

Mr. Gillies: I take it from the Premier's answer that the activities of the two ministers in question are under investigation. Would he as leader of the government not agree that the questions being brought forward by citizens in the town of Vaughan are serious enough to merit investigation? Would he take the responsibility to ensure that the OPP investigation does cover the involvement of his two ministers? Does he not see that as his responsibility as leader of the government?

Hon. Mr. Peterson: First, I am not the commissioner of the OPP. I expect the OPP to follow up fully every possible problem that could be raised in this entire matter, and I have confidence that they will do that. The member is asking whether there is any suggestion the ministers are under investigation. There is no suggestion I have heard from anyone, except the member, who would like it to happen. I understand the suggestion—

Interjections.

Hon. Mr. Peterson: —just a minute—the innuendo he has made in this matter.

I have great confidence in the OPP. They are following up on this matter and I am sure they will deal with it in a highly professional way.

PLANT SHUTDOWNS

Mr. Rae: I want to go back to the Premier on a question involving a fundamental question of policy. I do not know whether he will choose to duck it or not. It involves the question of a number of plant closures and layoffs that have taken place over the last year. I know the Premier is a former president of a company and might have some views on this.

Is it the view of the government that it is fair for an employer to offer one package in terms of severance, retirement and pension to its management and salaried employees and a completely different—and, I might add, worse—package to employees who are part of a bargaining unit?

Hon. Mr. Peterson: In broad terms, one could say it appears unfair on the face of it. As the member knows, there are different legislative and contractual conditions on those particular matters, different employment contracts and that kind of thing. I gather that accounts for some of the discrepancies one would see in some of these individual circumstances.

On the face of it, it may sound unfair, but I cannot comment in the absence of specifics and without knowing the contractual relationships between the parties the member is discussing.

Mr. Rae: I can document these for the Premier. In virtually every case where it takes place, there are at least two, if not three, different packages. In some cases, the employees who are salaried or management employees are offered very generous benefits in terms of early retirement, while people who are part of a bargaining unit are simply offered the very minimum that is provided for in the collective agreement.

By way of supplementary, since we now learn that of the jobs to be lost this year, 71 per cent are from American-owned companies, 80 per cent are from companies that are foreign-owned and, whether or not we engage in a free-trade treaty with the United States, we are in the middle of an extraordinary industrial re-adjustment—even at a time of relative prosperity in southern Ontario, we see the number of plants that are being closed—I wonder whether the Premier can explain how the government justifies this.

We are now a year and a half into the life of the government. There has been no legislative framework provided for adjustment, training, rights, notice, justification or any of those basic requirements in a civilized society which will

ensure that workers are not simply going to turn up one day and be told the company is going to be closing the next day.

Hon. Mr. Peterson: The member puts his finger on one of the great structural weaknesses in the Canadian economy and, indeed, the Ontario economy. There is a very high percentage of foreign ownership, roughly 50 per cent in the industrial sector. I was not aware of the figure he mentioned, but I gather he shared with the House that 83 per cent of the companies that had layoffs were foreign-owned. That figure in itself points out, at least in a *prima facie* way, some of the dangers of foreign ownership. It has been an ongoing problem in this country, as the member would be aware.

1430

That being said, there is this industrial restructuring going on, and the member is absolutely right. There are great changes going on in the work place. However, my honourable friend should not be quite as pessimistic as one would read the way he presented that question, at least at first glance. There have been 153,000 new jobs created and a lot of those people have gone on to other jobs. He knows and I know that we cannot hold the situation static; that the world is going to change and has been changing. One of the measures of Canada's capacity to survive in the future will be its ability to change. Every one of us is included in that regard. We have great programs from this government to assist people with training and that kind of thing.

With respect to the last part of the member's question about the framework of looking at these questions, the government has been wrestling with the question of notice and other things. We hope to be able to present in the not-too-distant future a legislative framework that would make some of these things more helpful. I cannot tell the member specifically the date that will be brought forward.

ACCESS TO CHILDREN IN CUSTODY

Mr. Offer: I have a question of the Attorney General. Recently, I had a meeting with a group of individuals who are known in their association as a committee for justice. This association is made up of noncustodial parents who are in a family breakdown situation. They have as their main concern the enforcement of reasonable access to their children. What steps are being taken by the ministry to make certain that the noncustodial parent is given effective enforcement of access orders?

Hon. Mr. Scott: I thank the honourable member for the question. I know he, together with the member for Kitchener (Mr. D. R. Cooke), have been very concerned about the issue that is presented by the access laws that exist in Ontario. As members will know, the noncustodial parent obtaining access by agreement or by court order, in a case where an illegitimate default in access occurs, can only obtain by way of court remedy, either a fine or imprisonment. The groups to which the member refers are very concerned about that and believe there should be a more effective and expeditious remedy in access circumstances.

I have met with them. We have looked at the experiment in Michigan in which, in cases where the access order has been wantonly breached, a replacement order for access is made. We anticipate that the government will make a decision very shortly about the course to be taken in this case. I will be grateful to have suggestions from all members about how this very serious problem can be dealt with effectively and soon.

Mr. Martel: Enforce the original order.

Hon. Mr. Scott: That is precisely what we intend to do with these new initiatives.

Mr. Martel: Then do it. The Attorney General does not need a new initiative.

Hon. Mr. Scott: The honourable member does not know what he is talking about on this particular subject.

Mr. Speaker: Order. Interjections are out of order.

SALE OF LANDS

Mr. Gillies: I have a question of the Premier on the Vaughan matter. The same ratepayers who expressed the original concerns about the sale of these two parcels of land informed us yesterday that they brought this matter to the Premier's personal attention in June 1986. Can the Premier inform the House what action he took after these concerns were brought to his attention?

Hon. Mr. Peterson: Mr. Meyers phoned my office, and I return my phone calls when I possibly can. I phoned him back. I had no idea what he was talking about. He said he was making some allegations. I asked, "Would you mind putting them in a letter to me?" It came to me and I referred it to the minister.

Mr. Gillies: It really is a question of responsibility for the conduct of his ministers. We have here a copy of the letter the Premier sent to Mr. Meyers, which is five lines long and, indeed, says exactly as the Premier just indicat-

ed; that he acknowledged his concern and referred it to the minister.

When a citizen is questioning the conduct of a number of officials, and implicitly one of his ministers, does the Premier not see it as his responsibility as leader of the government to undertake personally an investigation into that matter?

Hon. Mr. Peterson: No; the answer to the member's question is no. I say to him that I get these kinds of suggestions quite regularly, as he knows. I get letters from all sorts of people questioning everything that everyone does around here and we follow up in the normal course. I refer them on and they are dealt with in an appropriate way, as this one is.

DOCTORS' FEES

Mr. D. S. Cooke: I have a question of the Minister of Health. Is he aware that the doctors who manage the laboratory-initiated foetal em-
placement program continue to charge up to \$500 for administration fees for in vitro fertilization? Dr. Steven Richie of Brantford sent his patients a letter stating that he would continue to charge as much as 50 per cent above the Ontario health insurance plan fee schedule, and we have dozens of letters on file that are still coming in, in which doctors suggest that they are charging for such things as sutures, bandages and injections.

I would like to ask the minister whether these types of charges are legal. If they are not legal, when is he going to start laying charges against doctors who are violating Bill 94?

Hon. Mr. Elston: The honourable gentleman knows that each one of those items can be referred to us in a specific case matter and that the patients will not be disadvantaged. We will, in fact, reimburse those people who are being extra billed.

I can tell the honourable gentleman that we are in the process of analysing exactly what steps next need to be taken. I can tell the honourable gentleman that I am aware, for instance, of the letter by Dr. Richie from Brantford. It has been brought to my attention by more than one of the honourable members, not only by this member but there are other people. We are taking appropriate steps to deal with the question of those charges which are acting as genuine barriers to insured services, as is required under our legislation.

I also am aware of the question of charges for in vitro fertilization programs, and the people in the ministry staff are busy dealing with that particular matter.

Mr. D. S. Cooke: The Bay Centre for Birth Control reports that almost two thirds of the doctors who do therapeutic abortions charge administrative fees ranging from \$25 to \$175. Dr. Morton Brown of Toronto charged a patient \$70 for storing his medical records for seven years.

Since the minister has refunded patients over \$7,000—and we know that is only the tip of the iceberg—he then has accepted that in those cases the doctors have broken the law. The first refunds took place several months ago. When is he going to charge the doctors of this province instead of having the people of this province pay for a ban on extra billing?

Hon. Mr. Elston: The honourable gentleman is correct; there have been reimbursements and, in fact, we look after the needs of the patients first and primarily. We will be taking the necessary action in those cases where there is a lack of voluntariness in terms of reimbursing the people of Ontario.

ACID RAIN

Mr. McGuigan: I have a question for the Minister of the Environment. While he is returning to his seat, I would like to quote from an article in the *Globe and Mail* today. It says, "Acid rain and the pollutants that cause it are serious threats to the health of humans, especially children." This came from medical doctors of the American Academy of Pediatrics, the American Lung Association, the American Public Health Association and Mount Sinai Medical Center in New York. This was to a Senate committee.

Mr. Speaker: And the question is?

Mr. McGuigan: I understand that yesterday the minister met with Lee Thomas, head of the US Environmental Protection Agency, and US Ambassador to Canada Thomas Niles. Can he tell us what his hands-on impression is of the importance they now place upon the control of acid rain?

Hon. Mr. Bradley: I think I have indicated on a number of occasions that where I see some encouragement in the acid rain question is more in the US Senate and the House of Representatives. In other words, for the kind of program we would like to see implemented, which would have actual reductions of acid rain, a number of bills have been put forward in the Senate and the House of Representatives that I think would be useful. The kind of information the member mentions, which he read in the article, is further ammunition, and perhaps in the long run it may

be more effective in convincing people that there is a major problem with acid rain.

My assessment is that many in the administration still believe the jury is out as to the consequences of acid rain, and we are still some distance, as far as an administration-initiated program is concerned, from what we would call a specific program for the reduction of acid rain. They are still large on research and believe that their clean-coal technology and so on will be effective, but I do not see a program being initiated by the administration which would be similar to that which we have in Ontario.

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Mr. McGuigan: I understand that the minister manned a booth in New York City a few days ago and took his case to the American people. I wonder if he can report to the House what reaction he received from that.

Mr. Laughren: Ministerial statements.

Hon. Mr. Bradley: Interestingly enough—and I will be suitably brief for the member for Nickel Belt (Mr. Laughren) in this regard—where one might have anticipated resentment of Canadians indicating to Americans the problems about acid rain, in fact the reaction was exactly the opposite. It was probably the most popular information booth that was at a show that is a national show, and our ministry officials who were there did an excellent job in presenting the case against acid rain and for acid rain abatement. We explained our program and talked about the damage that could be brought about by acid rain, and I think it was very worth while to do so. I hope other provinces and the federal government are involved in that in years to come.

ELECTRICITY EXPORTS

Mr. Andrewes: My question is to the Premier, who three years ago was quite an expert on Ontario Hydro and now has, apparently, conveniently forgotten the details of those briefings.

Ontario Hydro in 1983 exported electricity to the United States that was valued at \$447 million; in 1984, the value placed on those exports was \$429 million; and in 1985, the value was \$350 million. The impact of those exports in 1984 was to reduce home owners' rates an average of 4.5 per cent. In the light of the importance of those exports, what discussions took place while the Premier was in Washington last week relative to the export of electricity?

Hon. Mr. Peterson: I am glad the honourable member raised that question. It was not discussed

with any potential buyers, if that is what he is asking me, because that is not where the buyers of power reside—at least it is a different form of power there—but there were some broad discussions about the potential for some kind of countervail on the exports of hydroelectricity.

As the member knows, there is some movement in some of the midwestern states. There are a lot of concerns at the moment about the potential for countervail action. I instructed the chairman of Hydro and the president, upon my return, to work closely with Manitoba Hydro and Hydro-Québec, which are potentially exposed to the same kind of thing. I think it is proper that we prepare in case some assault comes.

Mr. Andrewes: The Premier will know that the American coal lobby for some time has argued that Canada's aggressiveness on the acid rain issue is simply a means of trying to reduce the amount of coal burned in the US and encourage exports from Canada of Canadian-made electricity. Is the Premier's failure to pick up on Mr. Mazankowski's offer to discuss greater quantities and greater use of western coal simply an attempt to pander to that American coal lobby?

Hon. Mr. Peterson: I do not believe even my friend opposite believes what he just said. I do not believe that even my honourable friend here believes that. It is nonsense, and my honourable friend knows that.

I can tell him that we will be meeting with his close friend and associate Mr. Mazankowski.

Interjection.

Hon. Mr. Peterson: Finally? It was on the books long before this kerfuffle started, and we are very happy to do this.

I have met with Premier Vander Zalm. I have discussed the matter with Premier Getty. Officials have been meeting for a long period of time and we are anxious to increase our coal purchases from western provinces. I am not sure what exactly my honourable friend's problem is, but I cannot believe it is the problem as he stated it, because he is too intelligent to believe that nonsense.

JOB CREATION

Mr. Warner: I have a question for the Minister of Skills Development, who reportedly is distressed, according to the *Globe and Mail*, by the cut of \$200 million plus in the job creation program announced by the federal government. He may be distressed, but he certainly should not be surprised, and nor should we, because this is the minister who failed when he negotiated the

agreement which seriously undermined our community college system and has not created any jobs.

Mr. Speaker: Now the question.

Mr. Warner: The question, of course, Mr. Speaker. The negotiating skills of this minister remind me of the chicken which pleaded, "Please, Mr. Fox, teach me gourmet cooking."

Interjections.

Mr. Speaker: Order. I recognize the member for Scarborough-Ellesmere because this is question period and I believe the member would like to place a question.

Mr. Warner: Yes, thank you, Mr. Speaker. Since the minister has been baked, fried and scallopinied, I would like to know when he will announce his job creation scheme. When can we expect an announcement from this government as to what plans it has to create jobs for the more than 100,000 young people who are unemployed in this province?

Hon. Mr. Sorbara: It is good to have a question from a member who cares about the issues rather than, shall I say it, the plumbing.

My friend the member for Scarborough-Ellesmere refers to a statement I made last Friday in Ottawa concerning the Canadian Jobs Strategy and the federal government's intention to cut drastically its financial commitment to the Canadian Jobs Strategy. The member also refers to the agreement we signed. He will know, because we have discussed this in estimates, that under that agreement, the federal government has committed itself to spend more on training in Ontario than it did relative to 1985-86, and that commitment carries on for three years. Whether the federal government is going to abide by the agreement it signed, only time will tell.

My expression of distress in Ottawa was with some sort of indication from the federal minister that, above and beyond the \$200 million that we knew was going to be cut from the Canadian Jobs Strategy, completely separate and apart from the training agreement an additional \$200 million was to be cut. That would be bad news, not only for the people of Ontario but also for people right across this country.

Mr. Warner: The minister is unbelievable. He is talking about some kind of race between the province and the federal government. Are we supposed to bet on the snail or the turtle?

I would like to know why this government has rejected the notion, put forward not only by ourselves but also by Mr. Dryden earlier, of coming forward with a strategy for employment

and training. Why does the minister not agree to bring forward a strategy within the next six months for full employment and for a rational education training system for the young people of this province? Why does he refuse to do that?

Hon. Mr. Sorbara: I am rather shocked at the comments of my friend the member for Scarborough-Ellesmere. He knows very well that Ontario announced a training strategy on September 4, 1986, which doubles the budget this government has allocated to training of the people and the workers of Ontario. In addition, he knows that the Futures program in this province is perhaps one of the most successful youth unemployment programs in North America.

He also knows that in the past 19 months, unemployment in this province, not simply among young people but right across the board, has dropped dramatically. Unemployment among young people in the Toronto region is down as low as six per cent.

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While he makes nice speeches about calling for a strategy of full employment for young people, is he telling me it is only young people who should have full employment and that the rest of the work force should not have full employment? He should acknowledge, if he is being honest, fair and believable, that dramatic things have happened in this province over the past 19 months.

NEWCOMER SERVICES

Mr. Callahan: My question is directed to the Minister of Citizenship and Culture. It has been a brief period of time since a number of refugees arrived in Canada, in Montreal. I would like to know whether any of those refugees have come to Toronto. If so, what services are being provided by her ministry to assist these people?

Hon. Ms. Munro: My colleague will know that Ontario is always able and willing to reach out through its community services and through our ministry, other ministries and this government to welcome and support refugees and immigrants who choose to come to this province. We have had some refugees from Montreal and we have been assured through our networks that they are being taken care of to the best of our ability.

TECHNOLOGY FUND

Mr. Pope: There has been a 48 per cent increase in layoffs in northeastern Ontario, a 250 per cent increase in layoffs in northwestern

Ontario. The minister is darn right in that dramatic things have happened in this province, and he has done nothing as Minister of Skills Development (Mr. Sorbara) to help those people.

Mr. Speaker: The member's question is to the Minister of Skills Development?

Mr. Pope: My question is to the Premier, who is in charge of this, about his \$17.5-million gift to his friend on the Exploracom grant. He gave without condition, by letter, \$17.5 million of the taxpayers' money. I want to know now, because the Premier has given instructions to his lawyer, who is meeting in five minutes with the representative of the employees, how much is the Premier's mishandling of this investment and this public money going to cost us. What is his bottom-line position? How much are we going to have to pay for his mistakes in this matter?

Hon. Mr. Peterson: I gather the honourable member used to practise law; maybe he still does part-time, though I have no idea. He would realize that if he were serious in wanting an answer to his question, it would be highly inappropriate for me to answer that question.

I think my honourable friend has inadvertantly misrepresented the nature of the transaction. There was no grant; no moneys were forthcoming. As he has pointed out to me, I gather the lawyers are discussing it, and it is in the hands of the courts.

Mr. Pope: The Premier continues to try to claim that the moneys were not forthcoming. He is therefore saying that when he puts something in writing, when he gives \$17.5 million of the taxpayers' money of this province to one of his friends and puts it in writing, it does not mean anything and that it is not a commitment. He knows darn well he committed \$17.5 million of our money to one of his friends and he had no criteria and no reason to do it.

Mr. Speaker: Is that the member's question?

Mr. Pope: The Premier will not answer the question about what his bottom line is, how much he is prepared to pay of our money to bail out on this matter. He has given us no information.

The Liberal members refused to give information to the committee this morning. They tried to block our attempts to find out what the Premier is doing. When is the Premier going to fess up and tell us what he is doing in this matter and how much it is going to cost us in this province?

Hon. Mr. Peterson: The honourable member, who spent three years being trained in the law and another two years being admitted to the bar, does not honestly expect I would answer that

question or even attempt to, and would even recognize it is most inappropriate in the circumstances. He should not, in my view, go on continuing inadvertently to misrepresent the facts in the case.

Interjections.

Hon. Mr. Peterson: I said, "inadvertently misrepresent"; inadvertently misinform. Could that be a better interpretation?

I want to say to my honourable friend opposite that he knows the chronology of events in this regard. We did not want to get into the same situation that his party got into with Minaki Lodge where, because of a \$550,000 loan, that government spent \$50 million of the taxpayers' money; or into another thing, like Suncor, which that government did. This government is prepared to make these tough decisions. I am thrilled to see the conversion of my friend opposite, who originally was against the loan. He is now in favour of it. He has switched his position, as his party switches its position on every single issue.

Mr. Speaker: Order. The time for oral questions has expired.

Interjections.

Mr. Speaker: There will be another day.

TABLING OF INFORMATION

Mr. Wildman: On a point of order, Mr. Speaker: You will recall that on January 14 I raised a point of order related to standing order 31(i) dealing with petitions. At that time, you ruled that I did indeed have a point of order and indicated that you were certain the government House leader would take careful note of the comments I had made and make certain the problem was corrected. That problem still has not been corrected.

I submitted a petition on behalf of my constituents on November 6. We received an interim answer on November 24, which indicated there would be a full and final answer by December 18 from the Minister of Consumer and Commercial Relations and Financial Institutions (Mr. Kwinter). We have still not received that answer. Perhaps we could get at least an explanation as to why the minister has not fulfilled his commitments.

Hon. Mr. Nixon: As the honourable member has referred to my previous undertaking, I will reiterate it.

Mr. McClellan: On a point of order, Mr. Speaker: On July 2, 1986, I asked the Minister of Labour (Mr. Wrye) a question about the release of a report by Dr. Annalee Yassi of the

occupational health centre of the Manitoba Federation of Labour, which was part of the Weiler task force. The minister promised to release that report, and here we are in February 1987 and the minister still has not followed through on the commitment made to this House.

Mr. Speaker: Was that a written question or an oral question?

Mr. McClellan: It was a point of order.

Mr. Speaker: Oh.

MOTIONS

COMMITTEE SITTINGS

Hon. Mr. Nixon moved that the standing committee on resources development be authorized to meet on Tuesday, February 10, 1987, following routine proceedings and on the morning of Thursday, February 12, 1987, to consider the estimates of the Ministry of Northern Development and Mines.

Motion agreed to.

Hon. Mr. Nixon moved that the select committee on retail store hours be authorized to meet on Wednesday, February 11, 1987, following routine proceedings.

Motion agreed to.

INTRODUCTION OF BILLS

SOUTH AFRICAN TRUST INVESTMENTS ACT

LOI DE 1987 SUR LES PLACEMENTS SUD-AFRICAINS DÉTENUS EN FIDUCIE

Hon. Mr. Scott moved first reading of Bill 195, An Act permitting Trustees and Other Persons to dispose of South African Investments.

L'hon. M. Scott propose la première lecture du projet de loi 195, Loi permettant aux fiduciaires et à d'autres personnes d'aliéner les placements sud-africains.

Motion agreed to.

La motion est adoptée.

Hon. Mr. Scott: Let me briefly explain the problem this bill addresses and the effort we have made to respond to it. Many people, including members of this House, have expressed concern that despite the nature of the regime in South Africa, a large number of corporations incorporated or managed outside South Africa have subsidiaries in that country or carry on business there. These companies are seen as directly or indirectly supporting South African government policies since they contribute in some measure to

the economic prosperity of the country but benefit largely the white minority.

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As a result, there is a widely held opinion in Canada that these companies should stop doing business in South Africa. As honourable members will know, many Canadian individuals and businesses have already accepted for themselves a policy of divestment, that is, a policy by which shares in South African companies or companies doing business there are disposed of.

Many institutional investors, such as pension funds, have expressed to government their desire to participate in a voluntary program of divestment respecting assets held by their firms. The problem is that these investors face a legal barrier to divestment, the law of trusts, which this bill is designed to remedy. The law imposes a legal obligation on trustees to maximize the economic return to the fund. Buying and selling on moral or political grounds is forbidden by law if this reduces the profitability of the investment portfolio.

The purpose of this bill, which is the first of its type in Canada as far as we know, is to permit the divestment of trust assets on the grounds I have set out. Of course, it is an option that under the bill will be open to a wide number of trusts, charities and pension funds in Canada, whereby the beneficiaries and trustees of those funds can express in a voluntary way their disapproval of the policy of apartheid in South Africa.

Mr. Sterling: On a point of order, Mr. Speaker: It is my understanding that after a member or a minister introduces a bill, he has a chance to make a brief statement about what the bill has in it.

In this case, the Attorney General (Mr. Scott) has used his time to give not only a brief statement of what is in the bill, but also to give all the reasoning and background around it. That is more appropriate in a ministerial statement. Although he kept fairly brief in his statement, I ask the Speaker to remind the Attorney General to do that during ministerial statements and not at this time.

Mr. Speaker: The member makes a very good point.

Mr. Rae: In the presence of the House leader and the Attorney General, could I say that it is very rare that I would ask the government to make a statement, but I think a suspicious mind, which I do not happen to have, would wonder why the minister would choose to introduce a bill

of this importance without making a statement in the House.

The only reason I can surmise is that the government did not want to hear from those of us who know precisely what options were available to the government and who also know that this was the very least the government could have done. This was the route of least resistance. This was the most conservative possible stance that was put forward in terms of what could be done. The Attorney General knows that. He also knows what the response would have been from this member, from my colleague from Thunder Bay and from other colleagues who have raised this issue on many occasions in the House.

I am a little surprised, not to say perplexed, that the Attorney General would have chosen to use the introduction of a bill as an occasion to justify the measure when it is the very least the government could be doing in the circumstances.

Hon. Mr. Riddell: You will have a chance to debate it.

Hon. Mr. Scott: On the honourable member's point, I note it and I am grateful for his comment. With respect to the honourable leader's point, I am perfectly prepared to debate the bill and, with leave of the House, I am content to have second reading right now, and we can get on and pass this bill.

Mr. R. F. Johnston: Let us have the debate first. That is what we are having. Is this not a debate on first reading we are having?

Mr. Speaker: To the member for Carleton-Grenville (Mr. Sterling), I am not certain whether that really is a point of order. It is a point of information or a point of view. As we know, the rules are such that it is not up to the Speaker to inform members how to present bills and how to make statements.

Mr. Harris: On a similar point, Mr. Speaker, since you may have ruled the other one not a point: both the member for Carleton-Grenville and the member for York South (Mr. Rae) have raised very valid points, and I concur with both of them, particularly with the member for York South vis-à-vis a statement. They both tie in because I believe he, having not made a statement, further attempted to slip one in during another period of time entirely out of order so there would not be and could not be responses. I might also point out that it would be normal for a compendium to be tabled at the same time. I wonder if that has been tabled with the Clerk of the House.

TEACHERS' SUPERANNUATION AMENDMENT ACT

Mr. Davis moved first reading of Bill 196, An Act to amend the Teachers' Superannuation Act.

Motion agreed to.

Mr. Davis: The purpose of the bill is to broaden the number of persons who have their retirement allowances computed on the basis of their best five years. In 1983, the five-year criterion replaced the seven-year criterion as the basis for calculating the allowances. Under the act, teachers who retired on or after May 31, 1982, benefited from this change. The proposed amendment would eliminate that restriction and make the five-year criterion applicable to all retired teachers.

There have been numbers of petitions directed towards the Treasurer (Mr. Nixon) asking him to recalculate the pensions of all teachers based on the best five years. There has been little response. We believe it is imperative that all teachers are treated fairly and justly. We would also point out that in 1984 there was an actual surplus in the teachers' superannuation fund of \$693 million and that the financing of this initiative can be taken from the fund without any recourse to the government's own input of money. We are moving it because we believe it is time this issue be dealt with by this House.

ORDERS OF THE DAY

House in committee of supply.

ESTIMATES, OFFICE OF THE PREMIER AND CABINET OFFICE (continued)

On vote 601, Office of the Premier program; and vote 101, Cabinet Office program:

Mr. Sterling: Last Monday we were talking about the openness of the Liberal administration. We talked briefly about the Freedom of Information and Protection of Privacy Act and the reluctance of this government to bring that forward, even though it was the first bill it introduced. I only hope that since that time the Premier (Mr. Peterson) has impressed upon his Attorney General the importance of this legislation to both the Progressive Conservative Party and the New Democratic Party.

I want to talk about another aspect of open government. I think the Premier gave a very distinct impression when he took that office that he would gladly meet with groups and open his heart and mind to new ideas and thrusts in terms

of his administration. While he made those statements and said those words, I see, unfortunately, little evidence they are coming to fruition.

I want to put forward two examples that I will ask the Premier to comment on. One relates to a visit to Ottawa recently, on January 20, when he joined with many people to open the Ottawa courthouse. I am going to read to him from an editorial of a small weekly newspaper, the Kanata Kourier. The editorial is entitled "See No Evil, Hear No Evil."

1510

Hon. Mr. Peterson: I have read it.

Mr. Sterling: I am glad the Premier has read it. Perhaps the other members of the Legislature and people in the public would also like to hear it.

"One is reminded of the experience of the Ottawa Citizen which, one day in September 1984 during the Pope's visit to Canada, ran a report about a speech that John Paul II had given in the Northwest Territories earlier in the day. The following day a somewhat embarrassed and shamefaced Citizen editorial note explained that the Pope had never been in the Northwest Territories due to bad weather. They had published the report in anticipation of the event.

"A slightly analogous situation is that of the Bridlewood residents who on Tuesday, January 20, plan to confront Premier David Peterson on the steps of Ottawa's new courthouse to ask him why his government is ignoring their concerns." They are predicting what is going to happen at this time because this article was written either one day or two days prior to January 20.

"Peterson won't even give the residents five minutes of his time. They plan to wave placards and shout slogans to get his attention. For the purposes of this editorial, we will assume that Ontario's Premier did, on January 20, exactly what he has done on the other occasions when he has had to come face to face with people who have concerns: give them a superficial smile, a glib 'Nice to see you' and a regal wave.

"It is a strategy that, of course, is intended to minimize political damage, be it people worried about the erosion of rent controls, doctors worried about the erosion of their paychecks or Bridlewood residents worried about their children and their community. The Peterson strategy is a 'See no evil, hear no evil, speak no evil' one.

"It is a sad comment on a government that pretends to be accessible and open to all. Bridlewood residents should not have to march around a public building with signs and slogans in sub-subzero January weather to be heard.

They have a right to expect better from their government. Maybe when it comes time to pass judgement on the Peterson regime, voters all across Canada will pause for a moment to contemplate the Bridlewood-Hydro corridor dispute."

Not only did the Premier not stop to pause to meet them, he also went in the back door. Perhaps the Premier would like to comment on that before I go on to the other matter.

Hon. Mr. Peterson: I am delighted to comment. I saw that editorial and I do not accept that particular point of view. I understand the feeling of that editorial writer, but that is one person's opinion. People are entitled to that, particularly people who feel they have a strong stake in an issue.

The member should understand that I get picketed almost everywhere I go. There is not an issue that people do not feel strongly about. Everyone has the right in a free and democratic society to do that. If my honourable friend had been with me during the discussions we had with the doctors and the number of people I met in that regard and the number of pickets I talked to, he would not take that view of the situation.

I remind the member also of facts he may not be aware of. The Minister of Municipal Affairs (Mr. Grandmaître) has met, I believe, six times with that group. I know very well the position of that group; they know our position. They have been corresponded with and everything else. They were across the street from the courthouse. The member is right. We went in the back door through the garage underneath the courthouse. Was the member there that day? We came out the front door.

As I have said to my honourable friend—and he will be familiar enough with it because he used to be a minister of the crown—first ministers and ministers of the crown get shouted at by a lot of people who want to make their case. We are quite familiar with that case.

This government has been open and accessible but that does not mean I can be all things to all people. That does not mean I can take both sides of every issue. Sometimes one makes decisions that people are not particularly happy with. I venture to say we have made a lot of them. I get no joy out of doing that but, at the same time, I get no joy out of doing nothing either, being so paralysed by people with picket signs or a few editorial comments that we end up doing nothing.

The member, above all others, should know the difficulties of making tough decisions. His

government would not even make a decision on freedom of information; we have.

I will go through the chronology of that, because after it was brought to my attention by the members opposite—I will get to that in a minute—I went back and tried to find out where that bill was stalled. I am told the committee has been doing other things; it has not been because the Attorney General (Mr. Scott) is not willing to sit down and discuss the bill.

I am happy to talk to my honourable friend. He or anyone else can bring up concerns. I meet with hundreds of people regularly. That is not to say I meet with everybody in the province all the time on a particular request. There are thousands of interest groups and they all have that legitimate right.

Mr. Sterling: All they wanted you to do was to be straight with them.

Hon. Mr. Peterson: We have. We have corresponded with them. Here is the problem: We are straight with them, we tell them the position and they do not like it, just as when I am straight with the member and tell him where we stand, he may not like it. However, we are very straight about it and we do not try to be all things to all people. Those people—and I respect them all—do not like the government's position.

Mr. Sterling: Why did the Premier go through six meetings with them if that is the case?

Hon. Mr. Peterson: The member was criticizing us for not meeting. He cannot have it both ways. Frankly, his point does not make sense.

I said we had lots of meetings. The minister has been meeting, and I am very familiar with the position. The member says there are not enough meetings and then he is mad at us for making a decision. He cannot have it both ways.

I wish we could please everybody, but we cannot, nor do we aspire to do so. These are very hard decisions. These are decisions on transmission lines. It was not our decision, as the member knows. The government just affirmed the decision of the joint board. We have gone through transmission-line-corridor discussions I do not know how many times in this House. I have never seen a happy debate. Every time I see a happy member on the one hand, I see an unhappy member on the other hand. The decision was made by an impartial body.

Mr. Sterling: All they want is a fair hearing. They have not had that.

Hon. Mr. Peterson: They have had hearings. I am not the judge and jury in all these situations on where lines should go. It went through a

democratically, legislatively constituted body and it came back. Now the member is saying they did have a fair hearing, although he said they did not a few minutes ago. They sat with the minister many times and they know the issue.

We know their position. I believe they have had a fair hearing. Everybody wants to get our attention, wave signs and get his face on television. That is fine; I have no problem with that. We try to be sensitive to these needs and I have communicated with literally thousands of people in the last month and a half. However, when these tough decisions are made, unfortunately, there are people who are upset about them.

If the member wants to go back to freedom of information, here is the note I got, on going through all the committee meetings, of what has transpired. There were public hearings on Bill 34 and then the committee could not sit, because it had not been given permission by the whips, from March 27 to April 30.

Does the member want me to go through the entire chronology of the year? April 30 was organization; May 7 and May 14 were public hearings. Then they had to go to simultaneous translation; then they were into public sector appointments; then they spent time on the legislative dining room; then they were into estimates of the Office of the Assembly.

In June they went through other matters, a walk-through of the bill, section by section. Then there was discussion of the job applications for Clerk of the Legislative Assembly in July. On July 9, they went into organization. Then they went into conflict-of-interest discussions; then they did not sit for a while. They went back to organization. Then they went into television in the Legislature, the Aird report, the Ivan Fleischmann matter and a lot of other things. What I am saying is that the committee, according to the information I have, decided it had other priorities along the way.

The minister or his parliamentary assistant is quite happy to sit down and work that bill through the system. Unless I am misinformed—and that is the chronology I have—he is happy to sit down and work it through. There may have been problems on the odd date, but I am told by him that he is anxious to see this thing go through and to work with the committee. The committee decides its own priorities.

1520

Mr. Sterling: I feel I must explain to the Premier the process that goes on around here. He obviously knows his House leader negotiates

with our House leader and the House leader of the third party as to the business of the committees. If he had kept some of his ministers, like the member for Cochrane North (Mr. Fontaine), out of problems, we probably would have had a chance to deal with Bill 34 a long time ago. The hearings concerning the member for Cochrane North took up a major portion of the committee's time over the past summer, probably resulting from the Premier's lack of interest in conflict-of-interest guidelines for his own ministers.

I am going to go on to another issue.

Hon. Mr. Peterson: May I have a moment?

Mr. Sterling: Certainly.

Hon. Mr. Peterson: I just got a note from the secretary of the cabinet. I will share it with the member for his information because it relates to my responsibilities. We just got a telex from Premier Getty. He is organizing a Premiers' conference, at the request of Premier Peckford, on Monday or Tuesday evening, either in Toronto or Montreal, with respect to the Newfoundland fishing issue Premier Peckford feels so very strongly about.

I will provide a little background. He telexed Premier Getty a couple of days ago, with a copy to us, and suggested we meet in Toronto. We offered our facilities. We would organize the details, if Premier Getty, our chairman, chose to do so. He has chosen to do so, so we will be having that meeting, here or in Montreal, on Monday or Tuesday. I wanted the member to know that.

Mr. Breaugh: May I intervene for a second on this matter of Bill 34? I can report to the members that as of yesterday the information given to the committee was that we had agreement from the whips that we would deal with, I think, two other matters. We have agreed that we will set aside two weeks, I believe, in the latter part of March and the first part of April.

It is our understanding that the Attorney General will be available during those weeks to process Bill 34. That is my understanding as of yesterday afternoon. I have to report we have had similar undertakings for the last year and a half and it has not happened yet, but it appears the processing of Bill 34 is under way. That is as far as I care to go on that.

Hon. Mr. Peterson: The secretary of the cabinet confirms that. I appreciate this estimates process because I learn things I may not know, as well. When I heard the member's speech on this the other day, I tracked it down, because it was something I deemed a priority, and I conveyed

that down to the ministry and others. I hope this matter gets dealt with expeditiously.

This is a valuable process in terms of learning things that are of priority to the ministers, and where my assistance can be helpful, I am anxious to give it. I thank the honourable member and I will convey to the Attorney General that we should get this matter cleaned up. I got the message, phrased a little more elegantly, but I got the point.

Mr. Sterling: The other matter I would like to relate to the Premier is his attitude and his government's attitude towards the legislative thrusts of members of this Legislature, other than those from the government side, in the cabinet.

The Premier well knows there have been a number of private members' bills, which are debated on Thursday mornings, and a number of private members' resolutions, which are debated on Thursday mornings.

It is all well and nice for the Premier to talk about open government, to be receptive to new ideas, to have an open mind as to what could be good or bad for all citizens of Ontario. That is the way I think every politician should think about every issue. Then there are some limitations around on how far one can go on that particular tack because of financial constraints, because of what one's colleagues might think about a particular idea, etc.

I have noticed the attitude of the government in terms of private members' bills. They allow them to be debated and voted upon. It is not their choice as to whether or not they be debated, but on whether they are to be voted upon there is an opportunity for the government to shut down a vote by having 20 of its members rise in opposition to a particular matter and block a vote. They have not done that, and I congratulate them on that.

Hon. Mr. Peterson: We do not whip it. We do not block it. It is completely unlike the past. You should acknowledge that.

Mr. Sterling: I acknowledge that under the past government that was done too often, but perhaps it was a kinder exercise than the exercise this government is going through at this time, because what it does now is allow the bill to be called for a vote on second reading, allow it to go out to committee, allow the public to put a great amount of effort—

Interjection.

Mr. Sterling: The government allows the bill to be put out to committee. Public groups come in and make their presentation on the bill. They do a

lot of work on it. The committee goes through a clause-by-clause analysis of the bill and the bill gets reported back here for third reading.

The government has failed to call any of those bills, save and except for a bill that changed the name of a township. I believe it was put forward by the member for High Park-Swansea (Mr. Shymko). It was not really a private member's bill. It was debated in private members' time.

I would like the Premier to practise what he was preaching when he was sworn in on June 26, 1985, and look seriously at the bills. I want to relate this particularly to one of the four private members' bills which I have put forward to this Legislature.

Bill 71, as the Premier knows, is called the Non-Smokers' Protection Act. It was brought into this Legislature in January 1986. It was debated here. The vote was 40 to nine in favour. In September 1986, the standing committee on general government heard something like 15 or 20 groups talk about the different provisions of that bill that controlled smoking in the work place and in public places.

The committee, in late December, went through the bill on a clause-by-clause basis. Meanwhile, the committee was being watched by the Ministry of Health, the Ministry of Labour, the Ministry of Agriculture and Food and a number of other ministries, but all the while saying nothing. They were not saying to me, as a member, nor were the Liberal members on the committee coming and saying: "We object to this particular part of the bill because this would be impossible or impractical to implement. This would be too costly to implement for private industry. This would abrogate some other people's rights. There have not been enough hearings on this."

What the Premier has done is well seen on Bill 71. He has given it a fair hearing. It was held over from January 26, because of negotiations among the three House leaders. It was held over for another year, which I appreciated, but what the Premier has done, by turning a blind eye and ignoring the bill, is not an open government. That is a farce. It cannot be an open government unless he is willing to listen, debate or oppose.

I asked the Minister of Health (Mr. Elston) whether he agreed with Bill 71. He said, "Yes, I agree with it." I asked the Minister of Health, "What provisions of the bill do you disagree with?" Evidently, he does not disagree with anything. I did not hear from the Minister of Labour (Mr. Wrye). I did not hear from the Ministry of Industry, Trade and Technology

(Mr. O'Neil). I did not hear from the Minister of Agriculture and Food (Mr. Riddell). I did not hear from anybody over there about why they would oppose Bill 71, the Non-Smokers' Protection Act.

It leads me to the conclusion that there is only one reason he will not call it. It is supported by over 30,000 people in this province who do, I hope, have some bearing on the Premier's decision, because it shows a significant amount of public support across this province.

Hon. Mr. Peterson: We do not govern that way.

Mr. Sterling: I think support for any public measure is important. Support by 30,000 people writing to me and to the Premier indicating their support for Bill 71 does not mean anything to the Premier? The Premier is shaking his head negatively. It does not mean anything to him. I cannot believe that.

Mr. Runciman: It is not his bill. That is the reason he is not bringing it in.

1530

Mr. Sterling: That is the conclusion I come to, what my honourable friend says. The record of the Premier in terms of the smoking issue is abysmal. From 1985 to 1986, what happens to our young people and smokers in Ontario? The rate goes up by 20 per cent. Is he proud that when he took over the reins of this government, 31 per cent—

Mr. Ward: Better than yours.

Mr. Sterling: When we were in government, sir, it was falling. There were fewer young people smoking than there now are under the Liberal government because it is protecting the tobacco farmers and the tobacco industry. They are hacks of the tobacco industry. The member for Wentworth North (Mr. Ward) ought to be ashamed of himself.

In 1985, 31 per cent of young people smoked and now it is 37 per cent. There were 175,000 new smokers last year, new young people taking up the habit. Because of smoking, 35 people a day die. The government's budget for publications, for education on the hazards of tobacco smoke, has gone from approximately \$1,250,000 to about \$70,000 this year. We went from having the second-highest tobacco taxes to having the third-lowest in Canada. Smoking is dropping among young people in every province except this province.

Does the Premier not think he has to do something about this habit? I will withdraw Bill 71 if he promises to do something else about it. I

will withdraw it today if he will do it because I want to see it happen. I do not care whether I get political credit for it. It does not matter in my riding whether I get political credit or not. The Premier has to do something. He has to start listening seriously to other ideas. I would like him to comment on Bill 71 and his attitude towards private members' bills.

Hon. Mr. Peterson: I am not going to stand up and disagree with my honourable friend's facts and figures about smoking. Obviously, we cannot justify it. He wants to blame this government for the increase in smoking. Perhaps he wants to blame us for blue mould, car accidents and everything else. Frankly, I find his logic a little farfetched.

I understand the passion the member feels on this issue. Sometimes that distorts reason in the apportionment of blame. He says I should accede to a 30,000-people petition or something such as that. It does not cut any ice with me. Regularly, I get people coming into my office saying, "I represent a group of 100,000," or, "Look at all these signatures on this piece of paper," or, "Look at this poll that agrees with my position." That cuts no ice with me at all, none.

There is a fundamental difference between the previous government and ours. We have government for the public interest. This is an aside from the particular issue the member is talking about. I cannot argue with my friend, but I say to him it does not cut any ice with me because I get threatened by everybody almost every day, with various suggestions of the support they have and the various ways they can do horrible things to this government if we do not support their position. It does not cut any ice with me at all and I do not think politicians should be corrupted by that kind of pressure or perceived pressure. I pass that on to him on this issue and every other issue.

I am not disagreeing with the substance of the issue in this regard because it is a serious problem. I do not disagree with that. We are looking at various alternatives in that regard, including his bill.

Let me talk about private members' bills for a moment. The member gave me a tongue-lashing, because he does not think we are open because we do not deal fairly with private members. I was here two years ago and he may have been here as well. Does he know the difference between the way private members are treated now and the way they were treated two years ago, or in the way opposition parties are treated now and the way they were two years ago?

We have television in the House. We have changed the rules. It was Mr. Davis who said, "We have to have Wednesdays for cabinet day and we are going to make the members come back on Friday." There was a lot of controversy at that time, particularly with members from out of town who wanted to get back to their ridings. We have bent over backwards to accommodate the private member. We have doubled, tripled or quadrupled their budgets. They have research money coming out of their ears that we did not have in those days. They have legislative assistants and secretaries to do things.

Mr. Shymko: What counts is what is happening here.

Hon. Mr. Peterson: I am telling the member we have changed the rules so members can stand up for 10 minutes and make statements on anything. Every time we make a statement, members can stand up and criticize. We have debates where members can stand up and respond.

I say to my honourable friend how short our memories are. When the member stands up here and gives me a lecture about respect for private members or open government, I say to him—and I do not want to be unkind—he has no credibility to do that. He was a minister of the crown and he spoke for that government. When one speaks as a minister of the crown, one speaks for the entire government. Maybe the member had different views privately, but I can speak about his government at the time.

I can say to him at the same time that the member for High Park-Swansea had a good idea at a very appropriate and symbolic time. It was not an idea I had thought of; he thought of it. It moved very quickly. It was applied. The member for Bellwoods (Mr. McClellan) had an idea on time. We moved quickly on that and passed that together.

Sometimes we do and sometimes we do not pick up a private member's bill. I do not know how that record compares to the last 10 years, but I do not remember—and I may be wrong; I was not here every day—in my time in opposition, a private members' bill that ever came into law.

Mr. Sterling: The Family Law Reform Amendment Act.

Mr. Gillies: Jim Breithaupt's family law act.

Hon. Mr. Peterson: That could be. All right, there was one in 10 years, and now there have been at least two in a couple of years.

I say to the member that I cannot accept his feelings on this matter. We have gone out of our

way to be respectful with members. We have taken them on trade delegations—when has that ever happened before?—offered to both parties, and we are happy to do that.

Interjection.

Hon. Mr. Peterson: I do not remember a time, and my colleagues do not remember any times. If the member has some instances, he can tell me some time.

We have tried to share the problems we can share. Obviously, there are issues we are going to fight about in the House, and we have a place to do that. But we have tried to treat the members opposite with a respect they were not treated with in my day. I remember that; the member may not. Perhaps when the member gets so exercised about this situation, he may want to think back to what he did.

There are some people who think that to the victor goes all the spoils in this business. I do not believe that. I believe it should be shared and the members of this House should be treated respectfully.

Mr. Sterling: Do something about it then: Listen.

Hon. Mr. Peterson: I say to my honourable friend, do not get all bent out of shape, because I am just looking at the logic of his situation. Then let me go on to private members' bills.

They are easy. I was in opposition and I understand it. It is easy for a member in opposition to be all things to all people. We all want to be that, I guess, particularly in opposition. When you have so few friends, you are anxious to have anybody you can coalesce or to carry any picket sign you pray they will allow you to join. I understand that.

There is no responsibility at all that goes with that—not a whit. If a bill comes in and is wrong, it is our responsibility. It has to be paid for; it is our responsibility. There are certain rules that have developed in the parliamentary system that recognize one party is responsible. Everything that goes wrong in this province, the member would argue, is my fault, be it smoking or blue mould or car accidents or acid rain or anything else.

Mr. Sterling: I am not blaming the Premier for all the smoking that is going on.

Hon. Mr. Peterson: The member just did. He wanted to hear my views on private members' bills. I think it requires a great deal of responsibility on both sides. When we can move easily, we do. When we are satisfied they are right and it is the proper approach, we move

ahead with them and are happy to share that credit with the members opposite.

I do not think we have ever blocked a bill on this side. They were regularly blocked. We treat the expression of opinion from this House very seriously. It does not mean we agree with it, but we treat it very seriously. We allow them all to come to a free vote; we do not whip the votes on this side of the House. It is very different from the past. That is very different from the past.

1540

We get different opinions on all sorts of bills. The cabinet may be split on it. The cabinet may have a different view on the situation. I think it is wholesome and salutary that you can have a different opinion and not be committed to one, and let that be a free expression; but when the government adopts it, it becomes the government's position, and we have the responsibility to finance it, to make it work and to carry it through. Believe me, it is not a question of credit; we are happy to share credit with whoever in this House has good ideas.

My honourable friend should look over the list of things we have done, the different approach taken in this House. Do members know who the chief author of this is? The person who probably has more respect for this institution than any other I have ever seen and who cares deeply about it and about the privileges and rights of the members, and that is the government House leader, the member for Brant-Oxford-Norfolk (Mr. Nixon).

It is remarkable that we have a man who has served here for 25 years with this great respect, who knows more about it and cares more about the private members' rights than he does about government prerogative or government initiative. When he stands, he always speaks knowledgeably and from the heart on these issues. That is the kind of leadership I am delighted our House leader is providing in this matter.

I do not think we have anything to be embarrassed about with respect to our record on private members' business. When the member wants to get exercised at me, he should perhaps think back and consider himself lucky that we do not treat him the way the previous government used to treat us. He should think back about that.

That being said, the smoking issue is a serious issue—

Mr. Sterling: Are you talking about now or the future? Why are we going back? You were the guys who said you were going to have open government.

Hon. Mr. Peterson: The member for Carleton-Grenville is the one who made the great speech. He wanted to hear my views about private members' bills and I am telling him about them.

Mr. Sterling: Nothing has changed.

Hon. Mr. Peterson: To quote my old friend, "We are over here and you are over there." A great deal has changed, and I think the member perhaps does not understand that.

It is a serious issue. We are looking at it very seriously from a variety of different points of view. It is not a question of being captive of any lobby any more than the member is captive of the 30,000 signatures that he would say all support him. I am not captive of any other lobby in this regard.

I agree with the honourable member; it is a serious issue. We are looking at serious ways to attack it. I can tell the member that we will look seriously at the appropriate parts of his bill, and they will be incorporated into the legislation if it is changed at all.

Let me say one other thing. We are always looking for good ideas. Let me give another example. How many speeches has our friend the member for Sudbury East (Mr. Martel) made in this House about hockey violence? He cares about the issue. Some do not care about the issue and some do care about it, but that is one way an individual has an influence on public policy.

He worked on the previous government. He worked on our government. He was knowledgeable. He held hearings. He brought his knowledge. He moved the public policy process and brought this government to a position where we have responded, I hope, in an intelligent way, doing not everything he would have done but a large measure. He influenced that and, in my opinion, his influence has been very important in the public policy process. I know it is frustrating for members opposite. I went through all that myself; there were things I would have liked to change, but I could not change them.

Mr. Runciman: That only happened because they are holding you guys up.

Hon. Mr. Peterson: The member can argue that; he is quite entitled to interpret our motives any way he sees clear. He will see cynical motives in whatever we do. Perhaps we could say the same about the members opposite, perhaps even worse, but I take members at face value. We look for good ideas wherever they come from. I am not intelligent enough to divine motives in that regard, and we have to have a process that looks for the best from everyone. I think we are

doing that, not perfectly perhaps, but far more responsibly than was done in the past and at the same time maintaining the traditions of the British parliamentary system and responsible government.

Mr. Sterling: I find it absolutely amazing that the Premier talks about the tremendous increases in the private members' resources. In fact, today we are considering the estimates of the Cabinet Office which, over the the past year, have increased from \$3.6 million in 1985-86 to \$7.5 million. Cabinet Office has doubled, and he is telling us about the great amount of money we have now as private members, the increased ability of all of us here to attack the government and how much better things are than they were before.

I do not know what that means in terms of his own personal expenses. The Office of the Premier, it appears, is going down by some amount. I suspect he is just shifting expenses from one area to another. I do not know whether that suspicion is right or wrong, but it kind of looks that way.

I am also amazed at what the Premier has said to me. I would like him to clarify this, because a lot of people in this province, particularly on the petition for Bill 71, wrote to me asking for a petition form and went out and collected names across this province. I did not organize this thing, other than out of my Queen's Park office. The word got out, and the thing just kept going out. There was no organization by the Progressive Conservatives, the lung association or anybody else on an overall, province-wide basis.

I would love to mention one individual's name, Harry Henchley from Renfrew, who went all over Renfrew and collected something like 1,000 names on petitions from various people. I have met him once. Actually, I think he is a Liberal, to tell you the truth, or maybe he was a Liberal. Anyway, Harry believes very strongly in Bill 71.

What is the Premier telling Harry Henchley and all those other people who went around and said, "Norm Sterling has a good idea here, Bill 71, the Non-Smokers' Protection Act"? He went around and talked to people. If one reads the petition and the brochures that went with the petition, he has explained in as simple terms as I could what the bill is about. I was not asking people to say yes, no or whatever. Is the Premier telling Harry Henchley and all those other people that there is no sense in letting their government or their elected members know where they stand?

There were 3,000 people who wrote to him about the Bridlewood corridor and their opposition to Ontario Hydro going through that centre. Is he telling those people there is no sense in sitting down and trying to write a letter to their Premier to indicate their concerns about a particular issue? Has that no effect on the him?

I thought that when I was a politician, if I were a good politician, I would go back to my riding on the weekend and not only talk to my political people, those people who were Progressive Conservatives and on my executive or whatever, but also go to the dance, the carnival and the grocery store and talk to people about what was bothering them and that kind of thing. I get input that way. People come to my constituency office and tell me their problems. That does help to form my opinion. It does not necessarily mean I will bend over backwards if 90 per cent of the people who come to see me profess one belief when I know in my own mind I cannot support it, but I do admit it makes some impact on me.

I am going to ask the Premier two questions. One, will he clarify this particular matter with regard to petitions? Is he telling me that I am going to go back, write these 30,000 petitioners and tell the people who have collected these names that there is no sense in doing that? We might as well write presentation of petitions out of the standing orders. If they do not have any impact on what a person feels, there is no sense in bringing one into this Legislature.

The expression of public support is an important part of our democratic system. People should be able to do that, and I think the Premier should pay attention to it.

Mr. Ferraro: That is not what he said.

Mr. Sterling: That is what he said. He said 30,000 signatures on a petition is—

Mr. Ferraro: Get serious. He did not say they could not do it.

Mr. Sterling: He said it had no effect on him.

Mr. Ferraro: Be truthful, will you?

Mr. Sterling: Mr. Chairman, is that proper parliamentary language by the member?

1550

The Acting Chairman (Mr. D. R. Cooke): I think the member for Wellington South (Mr. Ferraro) would like to withdraw that comment.

Mr. Ferraro: I did not say he lied. I just asked him to be truthful.

Mr. Sterling: Are you satisfied with that, Mr. Chairman?

The Acting Chairman: There is still an implication. I suggest strongly to the member for Wellington South that he withdraw the implication.

Mr. Ferraro: Lest I bite my tongue when I say it, I withdraw it.

The Acting Chairman: Thank you.

Mr Sterling: So graciously done.

Mr. Ferraro: On a point of order, Mr. Chairman: With respect to the proceedings of the House, can you explain to me why we have to listen to this member's pet cause and why we are not dealing with the estimates of the Premier's office and cabinet? With the greatest respect, we all have pet projects we would like to discuss ad infinitum, but I am not sure this is the necessary forum for such a cause, so to speak. Can the Chairman explain to me whether that is proper?

The Acting Chairman: The chair rules that the member for Carleton-Grenville is within the terms of the Premier's estimates, because it is a very wide area of discretion, but I would ask the member to try to make certain his comments continue to be relevant.

Mr. Sterling: Would the Premier explain to me why the estimates have almost doubled from 1985-86—\$3,621,000 to \$7,528,000 in one year? I would also like the actual expenditures for 1985-86 for the Cabinet Office.

Hon. Mr. Peterson: I am happy to do that, Mr. Chairman.

I think the expression of opinion is very important in the democratic process. It is very important that people want to sign petitions, carry placards, write their members and come to the constituency offices. I am like the member. I talk to thousands of people, maybe even more than the member does, all across the province, in many constituencies. There is not an issue on which I am not lobbied on both sides. If someone gives me 30,000 names on a petition on one side, I can easily find 30,000 on the other side of any issue, or 5,000 or 500,000, for that matter.

I say to my friend, in as kind a way as I possibly can, if that becomes the basis upon which we make public policy, we are all doomed. It is going to be run by the guys who can get the most names on the petition, rather than doing the right thing. It is governing by polls. They tell us what people wanted yesterday. They do not tell us what is necessary tomorrow.

I want my honourable friend to be very clear on where I stand on these issues. We have made a lot of judgements as a government, which, if I had listened to polls, we would not have done.

Members will recall a very difficult debate on Bill 7, for example, and other ones where people voted their conscience and their heart and not by the polls. Some may have voted the polls.

I say that is the way to govern. It is not always easy. It is terribly difficult. If one looks at the number of tough issues this House has handled in the last year and a half, be it separate schools, extra billing, Bill 7 or the rent issue, these are of historic proportions in terms of their severity, their breadth, their grasp and their complexity. If we had been guided by the number of names on a petition, we would have a very different history. I have a very different view of my responsibility to govern.

With respect to the member's questions on the numbers, we have had a substantial number of changes in the office. One of the things we try to do is to separate the political function from the bureaucratic function. We came in as a new government with a public service that, very frankly, I was not very familiar with—a lot of names and faces and people I had never even met. I had never met the now secretary of cabinet prior to my being sworn in.

We decided to make the system quite different from what it was in the past so that there is no blurring of the civil service and the political staff. The political staff has specific responsibilities and the bureaucratic staff or the civil service has other responsibilities. These demarcation lines are extremely clear in today's government. They are not unclear, as they were in the days of Hugh Segal, John Tory, Ed Stewart and others.

There are various ways to run governments. Bill Davis ran an efficient government. He had lots of chemistry with the people he worked closely with and I respect that. I am just saying we chose to do it in a different way and respect completely the independence of the civil service. If something happened to us tomorrow and someone else was in office, they would treat the new political masters with the same thorough professionalism with which they treat us. I can say that with absolutely—

Mr. Shymko: That may come soon.

Hon. Mr. Peterson: It will come some day. Of course, it will come some day. When that day comes and I hand over the keys to my office to my successor, of whatever party, he will be well served by the public service in this province with the same loyalty I have had. I will go to them and thank them for their help. The reason I am telling the members this is that I treat them in that way and they treat me in that way as well. They have

their responsibilities and I have mine. I say that because it affects the numbers and philosophy.

Mr. Sterling: Where is the political line? Is the Cabinet Office political?

Hon. Mr. Peterson: I am sorry; no. I guess I am getting mixed up between the Office of the Premier and the Cabinet Office because we have shifted a number of functions between the two. The numbers go back and forth. At the same time, we got rid of the three policy secretariats, as the member knows. I gather the member held one of those jobs at some time or other. We felt, frankly, they were not constructive appendages and were just being used as a dumping ground for—I will not finish my point; I will just say we did not find them all that constructive and we do not miss them.

Originally, they were established to be the senior ministries with the most powerful people in government, and through evolution they had the least powerful people in government. It was not the original design. It goes back to the Committee on Government Productivity, COGP, by John Cronyn and Jim Fleck; if my facts are wrong, the member can tell me. That grand design did not work so we put it to a graceful death and saved a substantial amount of money.

Mr. Sterling: How much did you save?

Hon. Mr. Peterson: I can tell the member that. Ongoing savings are \$1,309,636. The staff, drivers, expenses, political staff, three savings on deputy ministers and a bunch of salaried employees; it is \$1.3 million a year.

Mr. Sterling: That is a long way down from the \$16 million the Premier talked about before.

Hon. Mr. Peterson: Then there were some policy co-ordinating functions that we took into the Cabinet Office to co-ordinate some of those things. We have beefed up the policy unit in my office. To the best of my knowledge, there was no policy unit in the Premier's office before. We do have a policy unit now and I find it extremely helpful. It co-ordinates with the ministries.

We have made a number of other transfers and there are other things we have done. We established a new office of executive resources, something I felt was very important. The member may want me to talk about this for a moment. One of the things I felt was that we were not managing the civil service well enough. It is a huge operation, depending on how many members one counts. There are 80,000 people with contract or noncontract. It was my view we could get a 10 per cent increase in productivity with

proper management techniques. We brought in a number of new devices to do that.

We now are bringing in a new performance review system on deputy ministers and our senior staff, something that had never been done before. They actually have to be accountable to their year's plan. People will be rewarded for success and punished for failure. We will have a severance policy that will not just shunt people aside but will also remove the ones who are not productive in the system and reward those who are capable. There will be no automatic merit pay for anybody; you have to earn the merit pay. We will adjust salaries concomitantly.

1600

One of the things we had to do was to better manage our senior personnel in particular. Members have to recognize that deputy ministers are not very well paid relative to people of comparable responsibility in the private sector. You can argue there are other benefits such as security and all that good stuff, but relatively speaking, they are not well paid. It is a real problem in recruiting deputy ministers, so we have created a new position, the associate secretary of cabinet for executive resources, Pat Jacobsen, who has put emphasis on that personnel management function. That has added \$141,300 a year to my office. I think it is extremely important and we will get dividends in the long term as well as in the short term on that.

We have established a special advisory group on crown corporations. That was John Kruger's group which undertook the review of the crown corporations. That cost \$255,700, and members will know of the things that were closed down. There was the Urban Transportation Development Corp. and IDEA Corp. There was a lot of work done on Suncor but there was not enough money to get rid of it and other things. That group has now disbanded. It has done its work and gone and dispersed.

We also transferred the correspondence and public engagement unit from the Office of the Premier to the Cabinet Office last year because it was felt that was a better place for it.

In addition to salaries and that kind of thing, and taking all those adjustments into account, that is what we have done in reorganizing the office. I think it nets out cheaper than it was before, with everything in and the same functions.

Mr. Sterling: I would like to know what it costs for the two Ministers without Portfolio who are basically covering the same function as that of the former provincial secretariat for social

development: the member for London North (Mr. Van Horne), who deals with aged people, and the member for Parkdale (Mr. Ruprecht), dealing with disabled people. Does the Premier have the total of their two budgets?

Hon. Mr. Peterson: That is not part of these estimates, but I could easily find it for the member. I do not agree that they are the same. They are Ministers without Portfolio but for specific responsibilities, one for seniors and one for the disabled, both given attention that had not heretofore been given or profiled in the way they are now. I agree with the member that those functions were absorbed in other ministries in various different ways, but they were not profiled and paid attention to in the way they are at the present time.

It was in a sense an experiment in both cases, but an experiment that we find is working out extremely well. We find that the people we work with are responding very positively to the arrangement, more positively than they were to the previous institutional arrangements. That is not a reflection on any personalities. That is just a way of organizing how we keep in touch with our client groups and how we can work with them to advance their goals and ambitions.

Mr. Sterling: The government has done away with the secretariats. I believe I once heard the Premier, I believe very early in his position as Premier, tell this Legislature he had saved \$16 million. We find out today it is \$1.3 million.

Two Ministers without Portfolio have taken over the function of the former Provincial Secretariat for Social Development. Some other responsibilities have been added to them, I agree, but I venture to say that their budgets combined would be much in excess of \$1.3 million, outside of the programs.

Hon. Mr. Peterson: Can I say something?

Mr. Chairman: Order. The member for Carleton-Grenville has the floor.

Mr. Sterling: The budget for the Cabinet Office has gone up by \$3.9 million for next year, from \$3.6 million to \$7.5 million. That is a lot of reorganization. It is more than a 100 per cent increase. It is nice to call it nonpolitical or whatever it is, but who is kidding whom about saving money by doing away with ministries?

Hon. Mr. Peterson: If the member wants to take everything into account, there are far fewer ministers than there used to be. I think the cabinet of the member for Muskoka (Mr. F. S. Miller) had 32 members. Am I right? I do not know how many we have today. Twenty? One never knows.

We are into about 20 or something. We are running the government far more efficiently in terms of limousines, deputies and ministers. All our ministers are working very hard over here because of the extra responsibilities a lot of them have. I think if the member takes total administrative expenses, it is just like the airplane. One can point to an individual member's expenses. Overall use of airplanes is down 25 per cent over the comparable prior 18 months. That is government efficiency.

Mr. Gillies: I understand the discussion going on between the Premier and my colleague. I think I may be able to explain some of the confusion. If one took the total budget of all the secretariats when they existed and their various programs—I do not know what it would have been. My friend may be correct that it was in the neighbourhood of \$16 million or whatever, but we have to remember, and I am sure the Premier will agree, that many programs that were under the secretariats have been moved into other parts of government.

For example, the Minister without Portfolio responsible for senior citizens' affairs (Mr. Van Horne) now has the Ontario Advisory Council on Senior Citizens and all those things that used to be under the Provincial Secretary for Social Development. The youth secretariat, which accounted, even in the years when I was associated with it, for some millions of dollars, will now be over in the Ministry of Skills Development. I think the disagreement may be over administrative costs as opposed to program costs.

Mr. Shymko: I would like to comment in a very nonpartisan way. I have listened to the remarks of the Premier. We must admit there have been occasions when some of us, myself in particular, have been privileged to have a private resolution passed unanimously. We recognize some of the explanations I have heard from the Premier with regard to changes that have been implemented recently.

I think there is no member of this Legislative Assembly who will not admit that the increase in research staff, moneys allocated in this area and some improvement in physical equipment—be it the computer system we have in our offices, be it the television system we have—all these things have been long overdue. I congratulate the Premier and his administration on having recognized that—maybe because of the number of years of frustration they had, 40-odd years, on this side of the House.

In my assessment, all these things are fine; but what good is that television set in my office, what good is a computer, what good is all the research I have if I, as a private member, expected to contribute in some way to the lawmaking process in this province, have no hope in hell, if that is parliamentary, or very little hope of ever having any major input, through the advice I give, to the improvement of these circumstances and the environment in this country through private legislation, when my private bill or any private bill, including those of members of the Liberal caucus and on the other side of the House, will never see daylight and has no hope of ever being passed into law? What good is all this?

This is exactly what we are trying to say. The Premier has the power and the discretion to select certain bills, certain resolutions, that he deems important enough to be passed into law.

It is ironic that when we have seen a massive majority at the federal level, the numbers of members on the government side, one would expect a very arbitrary system of decision-making. Yet, it was at the same time, with a vast majority, that we saw the McGrath report, a report issued at the federal level giving greater powers to standing committees and to private members at the federal level.

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We would have expected this to have been quite normal that when there is a minority government here in Ontario, there would be greater sensitivity even now than at the federal level to recognize the need for increasing the role, the importance and the impact—and I mean legislative impact—of private members and of standing committees. All of this equipment I see as a means in the line of strengthening my role as a private member, in providing me the means to effect some input into the passage of law.

It is no surprise, if I may point out the irony again, that it is indeed a member of the Premier's caucus, a member of his party, the member for Humber (Mr. Henderson), who introduced a very historic resolution referring to the McGrath report in Ottawa. It was passed unanimously, as I recall, on January 22, very recently, and has gone to the standing committee on the Legislative Assembly. If I may remind the Premier, what it says is that that committee should study and report on the desirability and the feasibility of reforms, including those of the proposed McGrath committee, to strengthen the role of private members. This is what I believe was the essence of the comments by the member for Carleton-Grenville (Mr. Sterling), my colleague

on this side of the House, and this is the essence of my comments as well.

It points out the lack of logic. For example, Bill 71 or, in my case, Bill 133, is supported by the Minister of Consumer and Commercial Relations (Mr. Kwinter), who is totally in agreement that there is nothing wrong in pursuing a change whereby chemical ingredients in our liquor products should be labelled. He agrees there was something wrong when we saw a coverup for seven years within the Liquor Control Board of Ontario of chemical ingredients that were used and that cabinet was not aware of, we were not aware of. We cannot cater to any lobby, be it the liquor lobby or the tobacco lobby, when the health and the lives of our citizens are at stake.

It makes no sense to me that my bill, for example, which received unanimous support in passage on second reading, may die in Orders and Notices. Really, it is in the Premier's power to make that bill go to third reading and be voted on, or simply die in Orders and Notices. That is the way the system operates. We appeal to him that he should continue in the trend and the steps he has taken, for which I congratulate him and every member of this Legislature congratulates him, in opening up and realizing the importance of the role of private members.

He has opened up this process. We ask him to continue in that direction and to look at other jurisdictions, particularly the jurisdiction at the federal level, which, as I say, has a massive majority. Because one has that massive majority of the government party, one is expected to do one's utmost to protect the individual member of Parliament.

We would have thought that, because of a minority situation and the fact of the Premier's experiences of frustration on this side of the House, he would give greater weight, not in the equipment, not in pieces of machinery—be it television or computers or other things—not to the means but to the end result for which these means are to be used, namely, right here. This is where the buck stops. This is the test case of whether all of those means and the facilities that have been increased, for which we are very grateful, will result in anything.

The function that I understand of our role is lawmaking, impacting in question period through the questions we ask through our very constructive criticism, which sometimes may be questioned by the Premier, though the aim is constructive, and also in the introduction of private bills, whose intention is to have the

government introduce public bills in a direction where the interests of the public are at stake.

I am most willing to withdraw my private bill, Bill 133, as the member for Carleton-Grenville has indicated he will withdraw his bill, if one of the Premier's cabinet ministers deems it acceptable to have it introduced as a government bill.

We are not doing this for the sake of credit. As a matter of fact, if I really wanted to get credit, I would hope my bill would die in Orders and Notices. Politically, it is to my advantage that my bill not see daylight. Politically, it is to the advantage of the member for Oakwood (Mr. Grande) to have Bill 80 die in Orders and Notices, because he can then point to the governing party and say it does not care about heritage languages.

Politically, it is to our advantage to continue petitioning, to have write in campaigns, to solicit consumer groups. We get credit as individual members for this, but what do we accomplish by this confrontational approach? Nothing. We do not accomplish anything. I am not being partisan in any way. I may be here today and I may be gone in a few months. Our lives as politicians are like the lives of terminally ill patients. We really do not know when the day will come. But I will tell the Premier, he may know—

Hon. Mr. Peterson: I know and I am not telling.

Mr. Shymko: I speak philosophically. No matter who may be nominated from the Liberal Party in the great riding of High Park-Swansea, and notwithstanding border changes, I am very confident I will have the opportunity of being re-elected and serving the citizens of Ontario in this Legislature.

Notwithstanding all this, what I am trying to get at is that the comments may have been perceived as being partisan—maybe the eloquence of my colleague surpassed the limitations of nonpartisan comments because we tend to be frustrated, as the Premier once was—but the aim is basically the same as that of his own member, someone who is not a renegade, someone for whom the Premier has a great deal of respect, someone who has the courage to stand up for certain principles he believes in. I refer to the member for Humber, who introduced a bill that is important to all of us as private members.

I appeal to the Premier. I have spoken to the House leader about my bill and other bills and I have asked him if he could give consideration to certain private bills that should see daylight, if I may use the expression, and that should become law. I suggested during that debate that perhaps

any private bill which goes to second reading and passes, unanimously or through a vote, should be allowed to go to third reading within the life of the parliament in which that private bill was introduced and went through second reading.

I know the problem is that the perception out there might be that it is not the governing party that really governs, but the back-benchers who really pass laws. That is the extreme conclusion the Premier may reach, but it is a selective process. I think all of us would be most willing to withdraw our private bills should the Premier deem them important enough to become government bills.

The other point I would like to raise is the role of standing committees. I would like the Premier to comment on my suggestions to allow third reading for private bills and to strengthen the role of standing committees.

My colleague to the left, the member for Oshawa (Mr. Breaugh), has raised this issue in the past. In November, the Premier will recall that a report from the standing committee on the Legislative Assembly was presented to allow standing committee to process appointments to government boards, agencies and commissions. The Premier had the power to appoint these people, to choose them.

We are not advocating a congressional system such as the one that exists in the United States, which perhaps has more clout and more power and takes away from the power of the US President. I would like to hear his comments, because his answer to the member for Oshawa was not quite clear as to his intention in regard to what he would be doing on our report, which was unanimously passed in the Legislature, to allow for some input, for some processing through a standing committee, of the individuals whom he appoints. I will tell the Premier that in the light of some of the allegations of corruption—and I say allegations—it is certainly not a climate that is desirable to any party in power.

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In the light of the climate that exists today in Ottawa, and to some degree in this province, people have lost total confidence and faith in public officials and politicians. This is why the Terry Foxes, the Steve Fonyos and the Rick Hansens of this world are true and genuine heroes who symbolize and epitomize the best and are perhaps people who are heroes to citizens of this country and of this province.

We certainly are not. Our integrity is in question, certainly more now than ever before. If there was any time to clear the air, to show the

Premier is not hiding anything, that he is indeed open, I think the Premier should give great and serious consideration to the recommendation of the committee that a standing committee of the Legislative Assembly somehow process the individuals in terms of finding out who they are and what their qualifications are and make recommendations to the Premier.

It will be to the Premier's advantage. Politically, I do not see anything that would harm him. It fits in perfectly with what he deems to be his approach to politics, what he wants the public out there to perceive him as representing, openness, that the Premier has nothing to hide.

These appointments are very important. The media have, for example, listed a whole list of various umbrella organizations from our ethnocultural communities which the Premier will regularly consult on appointments. We do not have the entire list, there are many that have been missed, and there are questions in Orders and Notices to ask the Premier to explain the process. Notwithstanding all that, it addresses a need. There is a vacuum for some input either directly from organizations in the public or indirectly through a standing committee of the House.

The third issue I wanted to ask of the Premier is about a report that will be issued very soon from the standing committee on regulations and private bills. It refers to the problem of some of the regulations that have been passed recently—I mean in 1985-86—that did not comply with statutory acts of which they were part as regulations. There is a whole list of these. The processing of regulations is, as I understand it, now done by the cabinet. We had a system in the past of a cabinet regulations committee, which was chaired by a member of the executive council, by a cabinet minister, usually a cabinet minister without portfolio. The entire cabinet regulations committee was made up of parliamentary assistants.

I will tell the Premier the importance of that system. Those parliamentary assistants who are not in cabinet were in closer touch with the reality out there. They had more time and really scrutinized those regulations. I recall having had the privilege of sitting on one of those committees, of regulations being sent back to cabinet, saying: "There is no way this regulation will pass because it did not go through a public consultation process. There is something wrong." Scrutiny of our regulations system is very important.

Mr. Martel: It was only government members, though. That is what the member's

government did. In Ottawa, the opposition chairs it.

Mr. Shymko: It is worse now.

Mr. Chairman: Order. If the member would address the chair, the interjections would not bother him.

Mr. Shymko: At least we had noncabinet members who had more time and who scrutinized this much more. I understand that because there are only 50 or so members now, thanks to the desertion of a certain party to the other side who, for some unknown reason, preferred to be Liberal instead of New Democrat—it is a mystery we cannot—we will let history decide that.

Mr. Chairman: Back on the estimates.

Mr. Shymko: The Premier has 50 members now. Maybe he should reconsider the system he has now and allow for input from individuals who may not be members.

By the way, I congratulate the member for Sudbury East (Mr. Martel) on the passage of the private bill. I am sorry I was not here to vote for it, but I would have supported him.

I want to point out that maybe there is another system; maybe a standing committee should be doing this. In Ottawa, for example, changes have been implemented once again, not because the Conservatives are in power—the Liberals could have been in power or the New Democratic Party, for that matter.

I congratulate the federal government. Do members know that they can withdraw regulations? The House of Commons has the power to change regulations. They can demand changes and withhold and do all sorts of things. One cannot imagine this happening in Ontario.

My final question to the Premier is with regard to important events that the member for Parkdale (Mr. Ruprecht) recalls. When the member for London Centre (Mr. Peterson) became the Premier and we saw this historic change occur in 1985, I did not hesitate to provide him, through his parliamentary assistant, with a list of commemorative, important, significant dates to many citizens of Ontario that should be recognized by way of a proclamation flowing from a decision of this Legislature.

I understand and I recall the eloquence of his speeches as he presented these plaques, be it to the Lithuanian community in Mississauga. I recall the eloquence of the Minister without Portfolio, and I am confused because I understand he is responsible only for the disabled. What happened to multiculturalism? Is he still responsible for that? I recall his eloquence.

I recall the meetings he has had, and now they have been held in his Liberal caucus room; they are not in neutral places. This is where the plaques were presented on Armenian memorial day. For some reason, some communities were surprised that, all of a sudden, he withdrew these things. The Canadian Polish Congress was surprised that on November 11 of last year no plaque was officially presented to it. I may have a clarification.

Hon. Mr. Ruprecht: On a point of order, Mr. Chairman: I think this member, as well-intentioned as he might be, has got all his facts wrong. The Premier has never withdrawn any of his signatures nor his plaques. I wish the member would simply stick with the truth on these matters.

Mr. Chairman: It is not a point of order.

Mr. R. F. Johnston: Mr. Chairman, I wonder if we can move along just in case any of the rest of us have something we would like to raise.

Mr. Shymko: I am completing my remarks. I have always enjoyed the eloquence of the member for Scarborough West (Mr. R. F. Johnston) and I would never have dared to interrupt to tell him to cut his comments. I have always enjoyed them and I am completing my comments.

I just want to point out that there have been rumours in the Premier's office and there have been statements made by his secretary to certain communities that he is reviewing this policy, that he will not be continuing to give out these plaques. I remember a statement from the House leader saying, "You know, these ethnic affairs, I just wonder what the function is of those plaques." That is really the attitude of the House leader, personally expressed to me.

There may be some pressure by his cabinet colleagues that it is a can of worms, that he cannot satisfy everybody. If he proclaims the independence day for one group, somebody else screams for the proclamation of another event. I am sure it takes diplomacy and discretion on his part, but it is happening in other jurisdictions. Mayors have no problem with that. If there are rumours and if perchance he may be thinking of changing that, I would like to know, if he does change that, whether he would be contravening a resolution of this House or whether it is his discretion to take a joint resolution addressed to him and either follow it or not. No doubt the Premier has that discretion, but the fact he has accepted that and continued these traditions speaks a lot, not for us, but for the people out there to whom certain resolutions and acts and

certain things he does are very important. They are much more than merely symbolic.

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I may have spoken at length. I have tried to be nonpartisan and fair in congratulating the Premier in some of the initiatives he has taken. My remarks are constructive and they are there to help all of us to re-establish the integrity and confidence we enjoyed much more from our citizens than we enjoy today. It is only to help the Premier, because how he acts and how his party in power acts is a reflection on all of us.

If there is a corruption by a governing party or by certain members of a governing party, it reflects badly on all of us. I think we should restore the confidence of the people in elected officials, governments and parties, which is being eroded more and more. Some of the comments I and my honourable colleagues have addressed are aimed at restoring that for the good of all of us.

Hon. Mr. Peterson: I appreciate the honourable member's comments and, indeed, the spirit in which they have been given. He raised four points. We are not changing our policy, so he should not worry. That makes short work of the issue. I will not tell him why, but I do respect the communities that come to this country, and I am one of those who believes this country was built by new Canadians. We are multicultural. It is something of which we are very proud. It is one of our unique and rich differences and should be encouraged and, indeed, is encouraged and supported by all parties at all levels of government. It is a recognized fact of public policy today and we do not dispute that. That is the way it should be approached.

I am also one of those. I say to my friends from other lands, who expects the wars to be left in the other countries. We do not want to refight historical battles in this country. When they come here, we can all be Canadians together as well as recognizing our heritages together. I think the two are completely compatible and I do not want to get Canada into a situation where we are refighting history. I am sure the member is the same way.

I am not in a position, and neither is he, to redress some of the real historical outrages or grievances that people have and feel very strongly about. We are not in a position to do that, but we are in a position to set a model for the world of tolerance, decency, civility and kindness to each other. That is probably one of the greatest roles we have in the world today.

The member raised a number of points with respect to how this place operates. I understand his point. We have gone through this on several occasions. The member for Oshawa (Mr. Breaugh) is very knowledgeable on this point and has raised it with me. It is a difficult thing to reconcile these points, and I am prepared to examine any way to make this House work better.

Sometimes this House works beautifully and sometimes it does not. Sometimes partisanship and mud slinging overtake it. Certain members make a habit or business or have a reputation of casting innuendo at each other. Some people are only concerned about partisan advantage on any single issue and others genuinely care about this House working. I have seen a few examples of both lately.

One of the things that happens in the sense that the executive is not responsible, is that it gets into the hands of people who want only to score partisan points or who are not prepared to take the responsibility for their actions. It can degenerate very quickly. The member has seen it. I have been on both sides and I am not pure in this matter.

I do not pretend to be pure in the situation, but what I am saying is that if that is the reality, whoever is there, then one has to make sure that someone is responsible for this place. That is what I am saying. When partisanship overtakes it, everybody can walk away from the mess that is caused except the government.

Look at some of the real differences of opinion we have had in this House on Bill 105 and the amendments thereto on the pay equity bill. Here we have a chairman of the committee who said a major spending amendment was out of order. The committee voted—and the committee has the power to vote because it is in opposition hands—to make a major amendment to the bill. Now we have two bills in the House that run into each other and it is a major embarrassment for everybody.

The opposition's argument was that it did not trust the government to do what it said it was going to do. We said we were, and we did it. The point is, no matter who was right or wrong—members should look at it—the Speaker becomes overruled in a situation like that. Everybody and every constitutional precedent says it is wrong, but this Legislature is supreme. This Legislature can vote anything.

Under the member's system, unless we had the power to control Orders and Notices, the opposition could say that black is white tomorrow,

and that would become the law of the land. It could introduce bills and put them through.

Mr. Martel: You have the right to call a vote.

Hon. Mr. Peterson: That is what I said, unless the government had control of the order paper.

Mr. Martel: They must have control.

Hon. Mr. Peterson: That is what I am saying. My honourable friend is operating on the premise that we should call everything that comes up; that is his point. My friend the member for Sudbury East (Mr. Martel) understands the danger of this.

I believe very strongly in the role of the private member. I do not think a House functions well when partisanship overtakes it. It is always going to be here. I am not in a position to clean up 400 years of British parliamentary tradition. I understand that, but I also know that in the functioning of this House, if we could have more Bob Nixons and Mike Breaughs, who understand the process and have a great respect for it, maybe we would not get into some of these things. We would have, shall we say, self-imposed limits on the inordinate amount of power we do have.

We are in a minority situation right now and that gives the government a great deal of respect. There is a great deal of power in the government's hands and, obviously, we have to function with a high degree of respect. It is interesting that we have come through the third minority government in four elections. It could very well be around here for a long time to come.

I need not tell members that this is the only province with a mature three-party system. Minorities worked in 1975 and in 1977. There were different rules, different players and different situations, but they worked. It is working now with a different set of rules. All that is well and good.

Mr. Shymko: It can work until 1989. Do not call an election.

Hon. Mr. Peterson: We can ask, "Did the 1981 government work better than this government or did the 1977 government work better than the 1981 government?" Everybody has his own sense of history and perspective on these matters.

I tell my colleagues not to assume that a majority would be any easier than a minority. It has lots of difficulties; just different kinds of problems. Mr. Mulroney has the most commanding majority in the history of this country. Have you ever seen a government with more problems than his has?

Democracy is messy; the system is tough to handle. It requires responsibility, restraint and good judgement on all sides to work, because the truth is that a very few people can pirate the system if they so choose.

I am not saying the rules here are not archaic; I am not saying they should not be changed; I am not saying we should not look at them. We have changed a whole bunch of them and I am prepared to change more. I really have no fixed view on the situation. What we have to do is respect them once they are in place.

I am being honest with my friend opposite. There were a couple of instances that jaded my opinion a little bit. One was the two reports on Elinor Caplan, as opposed to one, and one was the Bill 105 situation which in our judgement, by any objective standard, was a clear violation of parliamentary tradition. Those things get out of hand.

Those are exceptions. Let us not build a whole case on those. However, if those things become the order of the day rather than the exception, this place could quickly deteriorate.

What is the Krazy Glue that keeps this place together? I do not know. Fear of an election, the accord, respect for each other, wanting to govern, each taking our own responsibilities to govern and doing the best we can? I do not know what it is and I am not prepared to give all the answers today on that subject.

I am prepared to look at any new rules. I do not think I can give the member a blanket assurance that all private members' bills that go through second reading will become government bills, but I will give the member this firm commitment: We will work with ideas we think are sensible.

The member for Hamilton West (Mr. Allen) had a good idea on the chairman of Hamilton. There were a few things we did not like about his bill; it was changed by the honourable member. It came as a government bill, but it was his idea, his initiative and it was acknowledged as such. It is not a question of credit but a question of us all working together because we believe so much in the system.

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The member remarked about the extra services and facilities the honourable members have now. He is quite right. There are computers, legislative assistants, executive assistants, secretaries. He knows the stories, he has heard from the member for Elgin (Mr. McNeil) and others about the old days, when the only desks were right here in this House and that is the place where the members had to be.

I am not going to make a judgement on it, but it would be interesting for some of the people who have been here a lot longer than I have to ask themselves: "Are we giving better quality speeches than we did then? Are we serving our constituents any better now than we did then?"

Mr. Martel: Yes. That is the key.

Hon. Mr. Peterson: There might be some who are and some who are not. I do not know. The member for Brant-Oxford-Norfolk (Mr. Nixon) served his constituents without a constituency office until the last election when he became a minister of the crown. Harry Worton never had a constituency office.

Mr. Sterling: Nor did Osie Villeneuve.

Hon. Mr. Peterson: Neither did Osie, and there are others. I am just saying there are different traditions. We may think we are doing better and some of us may be; some of us may be doing just a little less and some of us may be using all the resources that the government is paying for just to get themselves re-elected, as opposed to doing stuff that is for the benefit—

Mr. Martel: Governments do that too. They use taxpayers' dollars to get re-elected.

Hon. Mr. Peterson: I am not ascribing motive to the member. I did not want to agitate my honourable friend. I did not want to rattle his cage. I just want him peaceful and benign because I know how dangerous he can be when he is exercised in that regard. We have to look at this thing very carefully.

Mr. D. S. Cooke: How many plaques have you handed out?

Hon. Mr. Peterson: How many what?

Mr. D. S. Cooke: How many plaques have you handed out?

Hon. Mr. Peterson: Zero.

Mr. D. S. Cooke: You have never handed out any plaques?

Hon. Mr. Peterson: Nope.

Mr. Martel: I watched you downstairs with the police.

Hon. Mr. Peterson: Oh, those plaques. We all have our own ways of doing these things and we all function in different ways. There are some marvellous people in this House who have served thousands of people and there are other people who make real contributions to public policy. Some have done both in varying degrees and varying ways along the way.

This House is a microcosm of our society itself: the good, the bad and the ugly, the bright,

the smart; Liberals and others in that particular regard.

Mr. Martel: You are not partisan at all.

Hon. Mr. Peterson: I do not mean to be partisan in any way.

We should keep examining the system. In my judgement, there are real problems in a number of the suggestions the member has made with respect to the authority of the executive council. I find it very hard to reconcile some of those things with the responsibility we have.

We have talked about committees for appointments and things like that, which is not a bad idea in some regards. Members of that committee become brokers for their friends. They are not responsible for it, but they become lobbied by their friends to ensconce them on some board, agency or commission somewhere; and they, at that point, have no responsibility.

I have spent enough time in the United States, lately and before, and I am enough a student of the system to tell the member that the system is in a virtual state of paralysis. I am not saying there are things we cannot adopt; more power for the committees and things like that. I have no problem with that, as long as they use that power responsibly, wisely and well. Sometimes they do; sometimes they do not.

Members can see what is happening right now. They can see the thrust some people are on. In the US it does not work. It is not just me, there was a marvellous article in Harper's, I believe about a year ago, on how Washington is being ground to a halt. It is being run by the 30-second clip. That is all the senators and congressmen care about, running out and getting their faces on television. No one is in control.

Mr. Breagh: Where have I heard that accusation made before?

Hon. Mr. Peterson: The only interest is in getting the message back home. It is run by special interest, constituency interest. No one speaks for the entire country, except presumably the President. He has to broker these interests along the way; with the checks and balances nothing happens. It is a completely frustrating place to do things and get things done. It is remarkable that the system works as well.

They were so worried about the system running out of control or somebody having too much power that nobody has any power. No one individual is very important. It is the system, as I said. It is no wonder it has spawned literally tens of thousands of lobbyists trying to plug into the system at various points, because it needs so

many people to keep putting input into the system.

Our system is a lot better from a number of points of view, though it has its flaws. In terms of getting to the locus of power quickly, making decisions a lot more quickly, and in terms of accountability, I prefer ours, no question about it. But if there are things my honourable friend wants to examine, let us do it. We will look at the committee reports and other things.

I cannot give the blanket assurance that every bill is going to come through the House; particularly some of the bills that have spending attached or where social costs or a tax expenditure is involved, with great ramifications. Sometimes those bills are constituency driven, which I understand can have ramifications in other parts of the country that are kind of dangerous. However, it is something we should constantly re-examine. I do not think anything is sacrosanct. I think we should continually try to upgrade our process.

Mr. R. F. Johnston: I would like to raise three matters with the Premier, and I am pleased to see that the Minister without Portfolio responsible for disabled persons (Mr. Ruprecht) and the Minister of Community and Social Services (Mr. Sweeney) are here.

Hon. Mr. Van Horne: Do you not like me?

Mr. R. F. Johnston: The matters I want to raise are about the disabled.

The first revolves around the remarks the Premier made in the speech honouring the Treasurer (Mr. Nixon). We have had in this House and around this House in the last year or so several occasions on which we were all embarrassed—they have been on both sides of the House—and which we all regret. We have had a variety of sorts of apologies for those remarks.

I had not had the chance even to read the information yesterday in the papers about the Premier's comments, but I did arrive home last night to see the footage and I was shocked to see how that was handled. We all make mistakes, and I understand he has apologized to the scrum outside about the remarks.

I think it is really important and I want to raise this with him now in all seriousness. As Premier, because of the extra responsibilities he carries and the importance of his presence and the symbolism of his office around issues affecting the disabled—and I would like his comment on this—I am not sure a retraction to a scrum should be the end or the final response to this.

I think of the minister responsible for the disabled, who has, as we know, an advisory

group of people who work with him to try to affect various departments within the government around sensitivity to the needs of the disabled. Obviously, that has an impact on the Premier and the Cabinet Office. That is where the buck stops and the decisions are made, whether it is around home renovations, as was recently announced, or other matters.

I know people on that advisory committee who are developmentally handicapped. There are organizations in this province, such as People First—I had the honour of speaking at one of its founding conventions—upon which we all rely for information about how to deal with issues around the developmentally handicapped and which have very much wanted to say: “We want to take charge. We do not want to have only people such as the association for the mentally retarded speak for us. We want to say we speak for ourselves.”

Then there are alliances such as PUSH, Persons United for Self-Help in Ontario, which has among its group people who are developmentally handicapped upon whom, again, the Premier and his ministers rely.

I really wanted to know today from the Premier what action he is going to take in terms of passing the message back through to those people about how seriously he considers—as I gather he does from his apology in the scrum—those remarks as they came off the tip of his tongue, I presume in the sort of schoolyard kind of things that we were all raised with and that now and then do erupt, there is no doubt about that. But he sees it as very important to have a direct contact with those groups and state to them how important he feels it is for him to retract that publicly and indicate why that was a very inappropriate thing to say. That is the first matter I wanted to raise.

1650

I am glad the Minister of Community and Social Services is here, and the Premier does not have the opportunity to redirect at this point as he did in question period today. I want to raise with the Premier this whole question of what has happened now, I gather with all provincial governments and the federal government, around the Canada pension plan's extension of funds to the disabled, the \$150 these people all thought they were going to be guaranteed as extra income for themselves. The Premier will remember that the maximum payment under the guaranteed annual income system for the disabled in Ontario, as of January 1, is only \$600 and a bit a month to live on, a couple of hundred dollars less

than a single senior receives to get by on as the minimum.

Instead of that \$150 being passed through to them directly and the Gains portion being adjusted accordingly to allow that to take place, the provinces, Ontario being one—I am discouraged to find out that Manitoba is another; I phoned yesterday to discover that—have decided that because of an agreement with the federal government, they will not top up.

The reasons for not topping up with family benefits have been given here. First, that would not be allowed. Second, if we did that for all the disabled, it would be too expensive, perhaps as much as \$200 million, if we did it in its entirety; not even the partial topping up, because there has been no gesture in that area at all by any of the provincial governments, as I understand it. I am not sure it would be such a bad decision to do that total topping up from a windfall of \$900 million, but even a partial topping would have been an interesting gesture.

The government did not do that was because the deal, the fix that was in between the federal government and the provincial government, was that the federal government would increase the CPP amount by \$150 if it did not have to pay its portion of the Gains amount under the Canada assistance plan, and it did not want to see the provincial government passing it through.

I thought to myself, “That is a really nasty thing.” Then I wondered why the provinces would have agreed to that. Then it came to me, because of something the Treasurer said about the Canada assistance plan as the Minister of Community and Social Services was answering today; that is, the clear tradeoff has been that the \$20 million to \$25 million that is going to be saved from the Gains payments to these disabled people now is being put into CAP and is in fact going to all the other people who receive social assistance in the province, and that amount is being matched by the federal government.

That was the deal. The government has essentially taken money out of the pockets of the disabled people and, as a part of a tradeoff, has made it a part of the government's cost-sharing for all the other people on social assistance. That is an outrageous tradeoff that has been done. It is totally unconscionable, especially when the government has the kind of money it has. I can understand that with their large deficits, other provinces like Manitoba may very well be afraid at this point of the financial consequences, but how can this government be?

I remind the Premier again—and this is not the first time I have done this in this House—he made promises before the election and his party's critics talked all the time about the need to bring the disabled up to the same level as the elderly in terms of their basic income. This was his opportunity to do it. This was the time to do it. Instead there has been this really sordid pass-through of dollars taken out of the hands of these people who need it desperately.

If the Premier looks at the cases I raised yesterday, one person is living on just over \$400 a month. He is \$22 better off under this new system, so he has to go to it. That is one of the cases I raised, but he is still living on a pittance. The \$135 that he was expecting has been taken from him and is being spread among other people in the social services system through this tradeoff. I would ask the Premier to reconsider the morality of that kind of exchange.

The third thing I wanted to raise, very briefly, is that the other day I introduced my legislation, the followup to the nuclear weapons free zone resolution we all passed. At that time, the Premier had not had a chance to read the copies I had sent to him. I was prepared to receive his response about my quoting him as a source and how appropriate he thought that was in terms of my referring to the need for private members' resolutions to be more respected.

I would like to know today what the Premier intends to do around making the principle of that resolution a reality. I have now provided him with model legislation as a one-two punch in this for taking responsibility in Ontario for our decision here that we should not profit in this province by our complicity in nuclear arms proliferation.

What I have done, as he knows, is to put in one motion to change the Planning Act so that all official plans would not allow any new manufacturers to develop new plants for nuclear weapons parts or undertake any conversions of existing plants for that. That would stop things for the future. If he wanted to make exceptions to that, the minister would have to come and explain to his House in a public way why he wanted an exemption, like an environmental assessment exemption, for instance.

The second half of it was for those companies that are involved in contracts now. They must develop plans with their workers for what they do at the end of the contract and how to protect them. I would have put an amount in that bill as to government money going into that if I were allowed to under our rules; but as he knows, I am

not, so instead there is just an employer's portion in it.

I would really like to know what he is willing to do. The way things are, people do not want statements of principle. They want to see some action, and I think I have found him a way for Ontario to do something very specific and very meaningful that could set a great precedent for other jurisdictions in the western hemisphere and elsewhere for dealing with the whole question of the morality of profiting by something that we are supposedly opposed to, and that is the proliferation of nuclear arms.

Hon. Mr. Peterson: With respect to the member's first point, I did apologize. I do apologize. I apologized publicly. It was ill-advised and poor judgement. I talked to a number of people in the community and I can say they were very understanding and charitable today and quite accepting of that at face value; probably more accepting than the member is.

With respect to his second point, I understand the debate. I do not pretend to be an expert on it. It is complicated. On the other hand, I do not see this great conspiracy or tradeoff that he would see in the circumstances. It is under a complicated set of rules and, as the member knows, the guaranteed annual income system for the disabled does not cover everybody who is disabled; it is only a percentage of it.

He would argue that that entire amount should be passed on, and I understand the argument. I am not trying to justify anything here, because clearly they do not get enough and clearly a lot of other people do not get enough either. I cannot pretend to the member that anybody can live on that or on welfare, for that matter, or on family benefits. We would like to see all of these higher. It is not something any of us are happy about or proud about. It is a question of the integrity and overall fairness of the system.

We do want to see the disabled match the elderly, and that is a goal of this government. But as the member knows, when you do one thing for people on Gains-D, it impacts on the entire community. The overall bill, I am told, is in the \$200-million range. Is that the most effective way to do it? This particular transfer affected only about 7,000 of those people, as I understand it.

I am not saying it is rational; I am not saying there are not ways we can make it better, and we will aspire to those goals in the future. It is not as if I am launching a spirited defence. I am offering an explanation and a commitment to attempt to do better, but it is not a question of a conspiracy

to do something nefarious. Look at the figures. It is up \$92 million in terms of transfers to the Ministry of Community and Social Services in the last supplementary estimates. There is money there.

The member may disagree with the programs. He may say it should not have gone out that way or he would argue that it would take an enormous amount more money to be spent, but I am just telling him there is a commitment of this government and we have seen some real progress.

Look at the things we have done on the spouse in the house and other things that are long overdue but are enormously expensive. One has to ask oneself the most effective and sensible way to target those moneys.

1700

The member refers to the money that is there and he is right, but I can tell him that \$700 million or the vast majority of that money is not sitting around in a sock somewhere; it has been spent in ways he can look at and analyse on things we are screaming for in this House. Ten per cent of that money was spent in Community and Social Services on a whole range of programs. The minister pointed out today what they are.

I know the member thinks he is a pretty effective spokesman, but I can tell him there is no more effective or caring person in this province than the Minister of Community and Social Services. He has more credibility than anybody I have ever seen. I pass that on to the member. He wants to be careful before he takes a holier-than-thou position with him. It is easy for him to sit there and preach, which he does on occasion. If the member ever had the responsibility, I suspect there is no way he could deliver any better in real terms with real effect on other people's lives than this minister, of whose performance I am so terribly proud.

The third point the member raises is the question of a nuclear free zone and his solutions thereto. I have looked at them and others are looking at them as well. I am not sure it is a solution. He kind of wants it both ways. He wants the jobs. He thinks it is so easy; everybody can make up plans how to have jobs in the future by forcing companies to make plans. If companies were so clever about making jobs, everybody would be employed. The member has the impression that jobs can be plucked out of the air, created and everybody will be employed.

He cannot have it both ways in a situation such as this. He cannot on the one hand demand the jobs be there and on the other hand demand that

they produce what he wants them to produce. We are looking at the situation. It is a general sentiment that I feel extremely strongly about. It goes back to other discussions we have had. Governments, by definition, are forced to be practical and to implement real things that are doable and to care about real people's jobs.

If he wants to see a classic dilemma, he should look at the Kimberly-Clark situation. One could not walk into a tougher situation for a government than the ministry walked into on pollution, with the jobs and everything. I think it was a win-win situation but it was a very tough fight for a long period of time. I use that as an analogy in this respect. We are looking at it. We are not sure he has the solution. I support the general resolution wholeheartedly, but we do not know whether the specifics used in the Planning Act are the appropriate way. We do not know the answer at this point as to whether it is practical and workable, but we will continue to look at it. I cannot give the member any assurance in this matter.

Mr. R. F. Johnston: There are just two matters I want to clear up. The \$92 million that has been referred to has only a little to do with income maintenance and we should be very clear about that. If we look at the actual increase in income maintenance over this last year, it is suspiciously close to the amount of money that now is being passed through here in terms of the provincial share, rather than the federal government share included. I say to him I do not think that is the appropriate way for income maintenance increases to be made; that is, taken out of the pockets of people who are expecting them, the disabled in this case, and put in the hands of others.

On the first matter, I would like to say I do not know whether the Premier has spoken directly to the organizations I mentioned, but I think such organizations should hear from him directly, if that is at all possible. I hope I am accepting his apology as graciously as the people he says did. I accept it at face value. I am just suggesting that perhaps the extra step is very important symbolically at this point.

The final thing I will say on the nuclear weapons thing is that it is true my second bill, the conversion bill, is there to try to help find plans for alternative jobs, but it also says if that is not the case, at the expiration of a contract—not ending a contract; at a time when all the jobs would supposedly be lost—there must be more protection for the workers and so there is a

topping up of benefit provisions in it as well as the job search.

I am not suggesting in any way that it is easy to make the decisions, and especially to find the jobs. What I am suggesting is that in the phasing out we must protect the people who are working in that system now as their contracts end and that in the future we should be setting up a mechanism that makes it impossible for us to get into this bind of the choice between the economic desire to have jobs and our decision as to what kind of jobs. Are they jobs that are involved in the production of Armageddon, and is that the kind of approach we want to take? That is why there are two solutions.

Mr. Gillies: There are a number of points I would like to make on a variety of subjects surrounding these estimates. I will try not to take too much time, because I am sure there are other members who want to participate.

It is a rather public forum for the Premier and I to have a heart-to-heart, but there are a couple of things I would like to say with regard to some of the things the Premier alluded to earlier. Partisanship, the atmosphere around here, perhaps trying to make the place work a little better: I would like to touch on that first in the hope that the Premier will take it in the spirit in which it is intended and that perhaps some good will come of this.

First, I want to say I would agree with the Premier that the atmosphere around here of late, particularly in the last four or five months, has been intensely partisan. That seems to have been an escalation through the last year.

The Premier, of course, from where he sits, would want to say that is entirely the fault of the opposition and those who are primarily interested in scoring political points and so on. I would like to suggest to him, I hope constructively, there are aspects of this phenomenon which I believe come home to roost with the Premier and with a leadership style. I believe there are things he could do in terms of the way he deals with the opposition that could help improve that situation; and it is a two-way street, I am the first to admit that.

Let me give the Premier an example of what I am getting at. I think it is an approach he takes sometimes towards the opposition that raises the stakes on some issues, and I think sometimes unnecessarily. I will never forget the day last June when I first raised the question of Wyda and the Caplan involvement and so on. I am sure, looking back now, the Premier would agree—we would all have to agree—that that was a very

serious situation in terms of somebody negotiating a government contract and so on and that we did have to take that matter very seriously and that it was something that had to be brought before the House.

When we raised that question, the reaction of the Premier was rather interesting: a great deal of anger, a couple of names called, etc. Then, with the passage of a day or two, as it became obvious the situation was serious and some of the details came out, he then took the steps in terms of calling in his minister and having an internal inquiry undertaken by Mr. Carman and so on and so forth, which led to an appropriate disposition of the issue, the appropriate disposition at that time being the resignation of the minister, the inquiry and all that flowed from that.

The point I would make is that on a number of issues that have been raised—partisan issues, I grant you—the Premier's reaction in the way he responds to them sometimes in the House I think raises the stakes and does not improve the atmosphere in here. Of course, we snap back; that is what oppositions do. It took us a while over here to figure out what the heck an opposition party was supposed to do, because we had not been one before. I see my friend from Windsor nodding. My years in the back bench as a government member ill equipped me for what my friends to the left have been doing, very ably, for a while, and that goes for many of my colleagues.

But I say to the Premier, it is a two-way street. In terms of increasing the civility and co-operative atmosphere of this House, there is a lot we could both do. I offer that thought to the Premier and I would be sincerely interested in any reaction he might have to that.

I think the fact we have mounted a tough opposition, at times a fierce opposition in this House, has led over the last period of months to a change in attitude on the part of many members of the Premier's government which has been positive. It is an old adage: I believe Churchill said that a government is as good as its opposition. I think the exercise we have been through in the last year and some of the battles and so forth—

Hon. Mr. Peterson: Are you saying we are good or you are good?

1710

Mr. Gillies: I do not know; neither perhaps, but I would say that the attitude we saw creeping into this government, especially at the midpoint of 1986, which was perhaps one of not taking the opposition that seriously in terms of our queries,

the points we were bringing forward and the issues we were raising, has changed for the better. I credit the Premier and his ministers in recent months for, I believe, taking us somewhat more seriously when we raise things. I think that is a natural evolution.

Especially through the first year since this government took office in June 1985, it has enjoyed tremendous public popularity and a rather protracted honeymoon, which continues to a degree to this day. From where I sit—and of course, I am a partisan politician like the rest of us—that was leading to an attitude and a mindset in 1986 in this government. There was the kind of feeling among some people close to the government that they really could get away with anything, get away with murder. Because of the rather remarkable honeymoon situation, they could perhaps skate around some things and not be called to account. They were called to account. From where I am sitting, I have detected a somewhat more careful and a somewhat more responsible approach to some of these issues in recent months.

I know the Premier thinks I never have anything good to say about him or his government. He may be surprised to learn that is not the case. I think some of the initiatives he has undertaken are good. Some of them were alluded to earlier by my colleagues. Some of the legislation the government has brought in was good and I have supported some of it in the face of opposition at times from numbers of my colleagues. I just say to the Premier to file that away.

With a bit of work on both sides of the House, I really do think we can make a dramatic improvement in the atmosphere around here. In terms of a co-operative parliament, I am not saying that we as an opposition want to roll over and die, and I do not think for a minute the Premier wants to stop making a fierce defence of his government's policies. That is not what I am talking about. What I am talking about is perhaps an attitudinal change that could spill over on both sides of the floor and could improve this place.

I want to ask some specific questions about the estimates, the numbers, the organization and so on. Before I get to that, I would like to speak to two things the Premier has alluded to during these estimates, one being the situation with Bill 105 and the other being the two reports on the member for Oriole (Ms. Caplan). I understand he has raised these in the context of things that annoyed him about the way things were going

around here. Let me speak first to the latter situation.

As the Premier will know, the original draft of the report that came from the standing committee on public accounts on the matter of the member for Oriole was very carefully negotiated. The Premier will know—I do not think it is any secret—that we negotiated practically word for word at various points. The members of the three caucuses on that committee went back to their respective leaders' offices for some guidance. That was no big secret at the time; neither has it been since. There was a very clear understanding underlying that first report, a very clear understanding.

The understanding that we all had behind closed doors in that committee was that the findings basically were that Mr. Caplan was in conflict of interest by virtue of his actions; that the conflict-of-interest guidelines covered ministers and spouses and, therefore, the member for Oriole was in conflict of interest also, although we conceded in the report that we do not believe she set out deliberately to frustrate the intent of the guidelines, by which she was caught because of their structure.

If one were to talk to the member for Wentworth North (Mr. Ward), the member for Waterloo North (Mr. Epp) or any of the members on the committee, that was the understanding we all had. Where it all flew apart was in the media conference, at which point we were unveiling that report and where, I say with great respect, the Liberal members speaking on behalf of the Liberal caucus in that news conference went off on quite a different tack, waiting for the cameras to flash on and immediately starting into a very detailed analysis of how the member for Oriole was not in conflict of interest when indeed, by virtue of the guidelines, one could draw no conclusion but that she was.

That led to the anger and the reaction on the part of the opposition parties, which led to the second report. I put that forward as the other side of the argument the Premier put, the feeling of the opposition parties that in fact the understanding we had as a committee had been broken and that clearly we had to state our findings in that committee somewhat more clearly.

Hon. Mr. Peterson: If justice was to run like that, we would have anarchy in the system.

Mr. Gillies: I have heard the Premier's point of view, but it goes back to the operations of this place, not only in this chamber but also in the committees. We really are only as good as our word around here. That deal, that report, flew

apart because of the perception of the majority of members on the committee that some members had not come out in public with the understanding we had in private. I do not expect the Premier and I to agree on this point, but in point of fact, as he raised it, I felt I should put the other side of the argument.

The question of the pay equity bill, Bill 105, is another point of contention. I am sure the Premier, who was here during the previous minority from 1975 to 1981—I was not here as a member, although at one point I worked in the Premier's office—under the previous administration obviously. During that period of time, there were bills brought forward by the Davis minority which were substantially changed by the opposition. An obvious example is the spills bill. The government of the day was so frustrated with that one that it did not implement it because of the contentious clause. We could argue the merits of whether that should have been the case, but there was legislation changed because of the will of the majority of members in a minority House.

That has happened again. It happened with Bill 105. I believe in the parliamentary system. While the chairman of the day did not uphold the decision of the committee, that was of course subject to challenge, as any decision of a committee chairman or Speaker around here is subject to challenge. Indeed, the committee again successfully upheld the challenge of the day.

Having said that, I listened very carefully to the exchange the Premier had with my colleague the member for High Park-Swansea (Mr. Shymko) earlier, and I would be the last person around here to suggest the government should in any way lose control of Orders and Notices. That truly would be an anarchic situation. In a minority parliament especially, the government has to keep control of Orders and Notices and order its business as is the prerogative of the ruling party, subject to defeat in the House on any piece of legislation. I guess that is the ultimate power of the opposition in a minority House. Who knows? One of these days it may happen. But I certainly want to subscribe to the point of view put forward by the Premier earlier that, minority or majority, the government has to order its own business. I do not think any of us in the chamber are suggesting that situation should change.

The third area I would like to get into is the question of the Premier's office, the organization and restructuring to which he alluded earlier.

Does the Premier want to respond?

Hon. Mr. Peterson: The reality is we cannot lose the right to order business. I fully agree with the member. We go out of our way to be accommodating. In spite of the difficulties we have here, it works fairly well between the House leaders. There is good chemistry. They respect each other. They take each other's word. That helps the system work fairly well.

I do not want to get into a fight with the honourable member, but if he realized how pompous he sounded when he was giving me that lecture, I do not think he would like himself very much. As soon as he raised the matter of the member for Oriole—I had never heard of the situation, of Wyda or anybody else—I said: "Turn it all over to the standing committee on public accounts. Look at all the facts." That was my immediate response, knowing nothing. We exposed this whole situation. It was my immediate response.

1720

Accusations are made. I take them seriously. Obviously, these things come along and you have no idea, as the first minister; you are very upset; you are fond of these people; how could this happen; were there errors of judgement? I said to them, as I say to the member, and I said to him in the House immediately, "If there are any facts, they should come out."

What other governments have exposed these kinds of situations to a completely partisan court, i.e., a public accounts committee? We did that. We offered that. It took the members opposite three or four days to pick up that challenge. The members said they would do it. They did not even take advantage of the situation and we forced the committee, as we did with Mr. Fontaine, because if things are wrong, we have to pay the price. We are a long way from being a perfect government. No one is perfect.

We have to make tough decisions; we accept the consequences of that and we are prepared to make the tough decisions, just as I know the honourable member opposite has made tough decisions. I respect him for his moral courage in some of the tough decisions he has had to make. We have all had to make them on occasions, and I recognize that.

At the same time, I say to the member, there is nobody who has been more wrong in this House than the member opposite. He has been sued. He has had to retract for his promiscuous use of the facts. That is a matter of record. As for his performance in the last couple of days, people think it is all very cute; it is all very there. I think it is a very serious error of judgement on his part.

So when the member lectures me on my attitude, when he tries to associate my friends with things when he has been wrong so often, I say, "This should not surprise the member at all."

He may enjoy the attention he gets. He may think it is all quite wonderful. He is obviously relishing his role. But I say, when one plays with people's reputations—if the member knew what he did with Mrs. Caplan, and I heard his explanation, I know his explanation, but I cannot justify that—it is like a judge passing judgement on someone. The convict insults him or something on the way out and the judge calls him back in and sentences him again.

We do not believe in double jeopardy. This reaction and this running back, I think, was a—

Mr. Philip: You believe in leaking reports though, do you not?

Hon. Mr. Peterson: What the member is saying is that he is going to hold Mrs. Caplan up because he has some disagreement with Liberal members. The member is prepared to interfere with someone's—

Mr. Philip: No, with the Premier and his office.

Hon. Mr. Peterson: If the member could be quiet for a moment, we will deal with him later.

If he is saying that because he had some difference of opinion with Liberal back-benchers on the committee, he was prepared to put Mrs. Caplan—an individual, a peer of ours—through what I would consider is unkind, at the very least, I think it reveals a real lack of sensitivity.

We have made a lot of mistakes in this House, individually. I have, just recently. I am not in the least bit proud of it. Other members have, on many occasions. As I recall, my friend opposite has had the same embarrassment on occasion. Who is so pure in this House?

Some people call for other people's heads in these situations; others do not. Others are more charitable and understanding. As I recall, we were quite understanding about the member's situation. At least I was, because I do not think I am perfect. I do not think anybody in this House is perfect.

However, I am telling the members, if the place is going to work well, we are going to have to be a little less promiscuous with our allegations. We are going to have to be a little more factual. The facts have to stand on their own.

As I recall, the first interpretation of the report on Mrs. Caplan was that she was guilty of an error in judgement. It did not say a conflict of interest. That was boiled up by the second report, the member has told us now, because he was mad

at some Liberal back-bencher. It is like being mad at someone and letting somebody else hang for that.

So I say to my friend, this judgement, this business takes maturity and strength. I do not pretend I have it. I make lots of mistakes—mistakes of excess, mistakes of partisanship. In lots of issues, I look back in retrospect and wish I had handled them in a different way. There is no question about it. When these questions about my colleagues come up, they have to be investigated. All the facts will have to come out.

The member has a habit of prejudging these things and being very wrong about them. I would advise my good friend not to get too pompous or supercilious about this situation. I say to my honourable friend that none of us is perfect.

As we conduct the business of this House, we have seen a government prepared to face some issues but we do not get agreement on them. I do not mind bills being amended. Look at Bill 7. It was amended by the member for Ottawa Centre (Ms. Gigantes) and we agreed with that. That was not violating the responsibility of the House. She had every right to do what she did.

Bills are amended every single day. The member does not see me squawking about amending bills. That is a right of a minority parliament. We have the right to withdraw a bill, we have the right not to proclaim a bill. They are the rights of a minority parliament, but that is not what I am talking about.

Almost every single bill that comes through here is amended somehow or other by the opposition, if not by us. Bill 105 is completely different. The member's colleague, the chairman and the member for Sarnia (Mr. Brandt), on advice from the clerk, lawyers and others came to the conclusion that amendment was ultra vires.

The member knew that and the parliamentary experts knew that. The partisan people were prepared to disregard that in the name of partisanship. Anybody who is knowledgeable about parliamentary situations can argue that was intra vires. It was ultra vires that responsibility and created, subsequent to the fact, an embarrassment for everybody, including the opposition.

I have no problem amending a bill. Amend it. Members have a right to do that but they do not have the right to violate the traditions of this House. Members have authority and I have authority. The genius of having authority is not to abuse that authority. Members have immunity in this House. We can stand up and say anything we want to about anybody in the whole world and

not get sued. Some people use that irresponsibly; some people use it responsibly. Some people use their soap box outside very effectively; some people do not.

If all of us exercise self-restraint and judgement—and I include myself in this; I am not holier than thou—I think this place will work better.

Mr. Gillies: First of all, if I sounded pompous earlier, I apologize; I did not intend to. I was choosing my words very carefully because I think this is a rather important debate that perhaps has been a long time coming.

The Premier is very fond of saying the matters I have raised in the House have almost invariably been wrong. I challenge that. We clearly were not wrong on the Caplan affair; we were not wrong on Exploracom; we were not wrong on Graham Software; in my opinion, we will prove not to have been wrong on the waterfront apartment development, Huang and Danczkay. Putting that aside—

Hon. Mr. Peterson: Wrong about what?

Mr. Gillies: The Premier said it. He said I raised these allegations and we have been wrong. I do not think we have been wrong. We have raised a number of matters that were being handled very questionably in and around the government—

Hon. Mr. Peterson: You just throw muck and hope some of it will stick.

Mr. Gillies: Not at all. We have raised matters in and around the government that have been questionable and we have almost invariably been right. I think the people of Ontario have benefited as a result of this, as some matters have been averted or avoided that could have been very serious; for example, \$17.5 million to Exploracom.

On the other hand, I think moneys have been lost. I believe millions of public dollars have been lost through some of the IDEA investments and so on that we considered questionable. Perhaps that could have been saved if we had been listened to a little more seriously in an earlier instance. That is all—

Hon. Mr. Peterson: You will not get any disagreement from me on that. You should have wound it down earlier. It was your board, your ideas, your mess.

Mr. Gillies: We can get into a protracted argument about IDEA. The Premier points out that it was our board. It was, but over 60 per cent of the money was expended under the Premier's

administration. Coincidentally, those are the investments that are going sour.

I suggest to the Premier that we have many disagreements. That is part of the way things work around here; it is part of the system. I also suggest that the Premier take a look at some of the things the official opposition has raised. There are not that many that have been wrong.

Mr. Ferraro: How did the people of Ontario benefit from what you did to Keyes? Explain that.

Mr. Chairman: Order.

Mr. Gillies: I did not raise the Keyes matter. The member will have to ask somebody else about that.

1730

I suggest the Premier take another look at some of the things the official opposition has raised. I think he will find that actually, in most cases, we were right. In most cases, we were raising them in the best interests of the people, and the people benefited from them.

I will close off this subject by saying one thing. The Premier mentioned earlier we all make mistakes, and we surely do, I not the least among us. But I will say there are things that happen, things that are said, which I as an individual do not believe people should be hung out to dry for. I just want to tell the Premier—for the matter he has recently been roasted over, I guess—I watched television last night and I thought he handled it very well. He was clearly very upset about the situation and more than honourable in the way he handled that.

I suggest that most of us in this House have said something at some point, be it jokingly or inadvertently, that we have regretted. Much more weight is put on it when one is a minister than when one is a back-bencher, and much more weight is put on it when one is the Premier than when one is a minister, but I think we can afford to be a bit charitable on some of these things.

I have some specific questions I want to ask about office organization and so on, but my friend the member for Sudbury East is chafing.

Mr. Martel: Yes.

Mr. Gillies: Although he owes me one today.

Mr. Martel: Yes, I do.

Mr. Gillies: None the less, I will yield the floor to the member for Sudbury East.

Mr. Chairman: Excuse me. Does the Premier have any comments? No? The member for Sudbury East.

Mr. Martel: I appreciate my friend's giving me a few moments because I want to go back to the way the place works. I take it as a given that the government has the right to govern. I have never questioned that.

Hon. Mr. Peterson: Some days we think you do.

Mr. Martel: Not really. However, I think there is a problem here, as in most legislatures. While I do not agree with the American system, what it does do is allow not only opposition members but also government back-benchers to think and use their abilities. Unfortunately, our system does not allow back-benchers the ability to use their talents. It does not allow opposition members to be positive. The role is a lousy role. My friend the Premier knows that.

It is an awful role when one is in opposition, because one is forced to be almost constantly negative. That becomes rather frustrating for back-benchers on the government side. I have talked to them all over the years. They get frustrated because they feel like a seal. If they put their hands up, if they say something that embarrasses the government, they are not supposed to. They play this little game, "You do it in caucus." That is silly.

We have to find a way to use the talent in this chamber. There is a lot of talent in here and a lot of it goes to waste. It really and truly does. In fact, one of the interesting things about the Legislature is not the chamber itself; it is committees. It is quite a fascinating experience to work in committees because you can get agreement. It may be because you are not in the limelight, but you can get people who are prepared to give and take and come out with a unanimous report, which I think in the long run is probably the best thing that could happen in Ontario. We do not have the mechanism for it. I think there are some things we could do.

I looked at today's Orders and Notices, for example, and right now there are just too many things going on, but members do not know what is going on. Look at today. There are four committees and the Legislature sitting this afternoon. Everybody is thinly spread. Everybody is going for hours. Nobody has time to get back to his office and clean up his desk. It is like insanity. Members can recall when I was House leader. I just would not allow it. There is a set of rules that protects against that sort of thing.

We wanted to add one hour to the day. I tried to get it through about two months ago in the standing committee on the Legislative Assembly. I could not get the Liberal members to go

along with me. They were prepared to adjust the hours because the press wanted it. Can you imagine? The press wanted it at 1:30 p.m., so we moved it back to 1:30 p.m. We could have moved it back to 1 p.m., sat until 6:30 p.m. and had no overlap of three and four committees sitting at the same time, which would have freed up people to do the other jobs they had to do. No, we could not, come hell or high water. As I spoke to that committee, it was like talking to the wall. They had received their marching orders from someone that nothing was to change except to give a half-hour more so that the press could get out its stories.

You ask yourself, "What gives?" I could devise a schedule that would give me an hour a day more so that we would have committees sitting, but we would not have four sitting at the same time. We could man the committees, or our people could be there, and they could go back and do their telephoning and so on. Ministers would not have to be on duty for three and a half or four hours straight in a committee.

I would get rid of estimates, but I think I would devise a system such as the people in Quebec have. If you talk today about the fact you are going to spend \$50 million, there is an opportunity to get that discussed that day, not six months after the money is spent, as we do in Ontario.

It is the most ridiculous system we have. We voted on the budget in December. The money had been long spent. We are talking about confidence motions, and the money has been spent. We are nuts. We should have an estimates committee that looks at three or four estimates per year.

For the government to get that, it has to give the opposition something, and that is a type of committee that could review things.

Hon. Mr. Peterson: I thought you were going to give us—I thought that is what you wanted.

Mr. Martel: No. The government wants to get rid of estimates. They are 420 hours of what? Nobody looks at an estimate. We talk policy but we really do not study estimates, because governments do not want to part with the documents that lead to those estimates that are being considered. How do you analyse a set of estimates when you have them? You get the public accounts from two years ago, or a year ago, and next year's estimated spending.

Has anyone ever heard anything so ridiculous? When you do not have a document in front of you to determine how government even arrives at that, it degenerates to a discussion about policy. Things could be done. I am not sure we have the

sense that we want to make it better for Ontario, because that is ultimately what it is.

One of the things we should do is have a four-year timetable, and that is it. If the government has 50 members for four years, so be it. That is what the public voted for. Let someone tell me about all the silly confidence motions. We have been moving motions. There has been government after government where budgets have been killed or bills have been killed, and when it was convenient for the government, it came back the next day with a confidence motion so it would not get defeated.

Mr. Pearson did it constantly. We sit around this silly House talking about how, if we lose a bill and if it is a money bill, we go down the tube and there is an election. What a lot of nonsense. We only do that when it is convenient. If we do not want an election, we can find a way around it, but if the polls happen to be right, good. I think when you have four years, buddy, that is it. There are four years. That is what the public voted for, and you run with it.

We will not change that. We are not even smart enough to have a schedule that tells us when we sit and when we do not sit. I am tired of listening to the silly civil servants who tell me they cannot get a budget ready ahead of time and say we have to sit until April, May or June. That is nonsense. It is time we stopped listening to them and said we need a schedule so that we can organize. We are not sitting back 20 years ago when I first came here. That was when we finally started to sit six or eight months a year. Prior to that we were here six or eight weeks.

How do you get through—what is the budget?—\$30 billion and try to pretend we are still living back when I came here, when the budget was \$2 billion.

Hon. Mr. Peterson: It is all because of you. You are overstaying.

Mr. Martel: It is all my fault. I thought I had something to do with it.

It worries me that we want majority. Let me give an example. The Premier goes down tomorrow and says to the Lieutenant Governor: "Look, Guv, we want an election. I am dissolving this place."

Hon. Mr. Peterson: I am going right now.

Mr. Martel: Except His Honour says, "Now wait a minute, Mr. Premier. There is another party that has 50 members who might be able to make a government." We have all heard of King-Byng. The press wants an election. The people who are clamouring for an election today are not the people of Ontario. Frankly, they are

happy. It is the newspaper people and the media who want it. Every time there is one word out of line, the media say, "Aha, another election." They are trying to get an election going.

1740

If we want a repeat of the King-Byng situation, the stage is set. His Honour could say: "No. Let me see if I can get a government formed." The Premier could fight as Mackenzie King did. What did Mackenzie King say? What was his line? He said, "Has the Governor General more authority than the Prime Minister of Canada?" What a phoney lot of baloney, because our legislation and our assembly work under that fashion.

Hon. Mr. Peterson: We will prop you up for two years. How is that?

Mr. Martel: The Premier does not have to prop me up.

Hon. Mr. Peterson: You will want to go back where you are, let me tell you.

Mr. Martel: I think my friend the Premier is right. Government governs, but he and his party walked out a couple of times previously. They would not come in and answer the bells for days on end. They learned that from the Tories in Ottawa. They are both pretty sanctimonious. I can remember when they walked out here and would not come and vote.

Hon. Mr. Peterson: And you are not?

Mr. Martel: I am not. I am anything but humble, but I never allowed my caucus to use that tactic when I was House leader. I thought about it. The government has a right to govern. That is where I started from. When the Tories walked out in Ottawa and were out for 19 or 21 days, and when the Liberals walked out here over a budget—I remember that—they were flying in the face of the democratic process. That showed total disrespect for the process we have in Canada.

I make those points because I think we need changes in the rules. We have to get on with the business. It is interesting. If we look at the best social legislation we have in Canada, and we are probably ahead of everybody else, it was always with minority government that it came about. Good legislation has not necessarily come from massive majorities—just the opposite.

One thinks of Muldoon today having problems, but John Diefenbaker had his problems with 208 seats. There has to be a will. Maybe they get bogged down. There are ways we can change the rules, to use the talent that is here for

the benefit of Ontario. We have to unshackle it somehow, for everyone's sake.

Let me make two other points. I would like to ask the Premier to divorce himself and his government totally from the McKenzie-Laskin report on occupational health and safety. In my 20th year here, that is the worst document I have ever read. It is the most biased, one-sided, unfair document I have ever read.

Under the act in existence in Ontario today, management has total control—absolute and total control. McKenzie and Laskin are saying: "Fix up the little things that cause the problems in the Ministry of Labour, but leave everything as is. If you leave everything as is, hire a few more inspectors, etc., but we will still have management in absolute control."

In 1982-83, we killed 232 workers in this province; in 1984, 234; in 1985, 193; in 1986, 211. Management was in control. Workers did not have a right to say no. One guy can walk off the job, but the ultimate decisions rest with management. The whole of that act relies on what is called the internal responsibility system. That committee can make recommendations, but that is as far as it goes. Unless upper management decides to implement it, there is not a thing they can do except bring in the Ministry of Labour.

I am saying it has to be equalized. Somehow that decision-making power must be equalized. If the Premier wants some statistics that are horrifying, let him look at the number of accidents. In four years, they have gone from 344,000 to 442,000. That is costing billions in lost income, billions in expenses for medical care. It is out of control, and management has had the total control to this time. I do not make that up; that is the way the act works.

When one looks at almost 80,000 orders issued against management last year and the year before by the Ministry of Labour, one says to oneself there is something wrong. McKenzie and Laskin, who wrote an entire two-volume report, in one place were critical of management.

He kicked the hell out of the Ministry of Labour. I have done that. He kicked the hell out of organized labour; these people have done that. But the people who have the power under the act and who are responsible for refusing to implement it, they get one shot by McKenzie and Laskin in the whole report. Why does he think the trade union movement was so angry yesterday when it was here? I ask the Premier to divorce himself from that totally.

I could talk about the north, without short-term solutions. This government is making the same

mistake the Tories made. The north will not develop in the way the south develops. The north is going to be developed only when government gets involved. I am not talking about crown corporations. I am not talking about takeovers. It has been that way in other countries when the government decided it had to get involved. When I was with the select committee, we went to West Germany. How did they get people to locate near the Russian border? The government became the catalyst. It put up a little cash and became the catalyst for something to develop in an area that was wanted developed. They did not try to run it. All they wanted was somebody on the board.

We have been extracting resources from northern Ontario for these many years. Look at Sudbury: billions taken out, and not a thing related to nickel, copper, platinum, gold; nothing. It is going to happen only when somebody says: "We become the catalyst to make it happen. We are not going to do it. We are going to entice a company to come in there. We are going to entice pools of capital and we are going to look carefully."

It might be fertilizer. We are importing fertilizer today into Ontario. We have the emissions going up the stack, which is devastating the countryside, and we have phosphate sitting in Cargill township. One brings those things together. We stop importing. We are not going to hurt anybody by stopping importing. We stop these gases from going up the stack and devastating the country. The Muskoka area is being ravaged by SO₂, a form of acid rain.

That is the kind of thinking this government has to get into: What is it we have in the north that we can relate to some secondary industry, and how do we attract pools of capital to come there and we will act and assist in making that happen.

If it were going to happen in the traditional free-enterprise system, it would have happened 20, 30, 40, 50 years ago, when we led the world with 85 per cent of the world's nickel. It did not happen. It is much too easy to extract it and take it south of the border, out of the north.

If the Premier thinks we will make it nice and people are going to go there willy-nilly, he needs a wishing well. It is not going to happen that way. It is going to take some real, sound planning and looking at what we have and saying, "How can we best utilize some of the money in this province to make certain things that we want in the north happen, without government control or takeover?" Nothing short of that is going to see the north develop properly.

I know the Premier is going to say he is moving ministries to the north. We understand that. It is going to create jobs in the long run. In the short run, he is going to bring in some jobs. What do we do with the people who are already there and do not have jobs? That is my worry.

I want to give the Premier an opportunity to respond to some of those suggestions. I am looking forward to those responses.

1750

Hon. Mr. Peterson: Let me thank the honourable member for his comments. I understand when he speaks about the frustrations of a private member opposite. I spent 10 years—and the member has spent 20 years—doing the very same thing. I know the days I would leave here and chew my nails, frustrated with a government I thought was arrogant. I guess oppositions by definition always think governments are arrogant, and that is fair enough. There were things I thought were so wrong and could be corrected; I once made the comment that a cabinet minister could do more in the afternoon after tea than I could in a lifetime as a member of the opposition. I was attacked viciously on that by my opposition during the next campaign, saying “Elect me, and I will be a cabinet minister.” I am probably overstating it, but there is some truth in it.

I say to my friend that he is an example of a private member who has made a big difference around here. He is the acknowledged expert on occupational health and safety. Even though I do not always agree with his point of view—and I do not, by the way, pretend to be as knowledgeable as he is—he has personally made a difference. When the history books are written, he will have his stamp on them. It is a difficult exercise, far more difficult than it is being a minister or a cabinet member, when one has to hammer away day after day. I remember the speeches I heard from a lot of the member's colleagues and our members on the northern question. How often are speeches made by southern people who do not understand the north? I have been hearing the same speeches for 10 years.

When we got into a position to do something about it, I learned from all that. Sometimes it puts one to sleep, but on the other hand, one picks up things and gains the sensitivities of one's colleagues.

The member has also made a great difference on the issue—I talked about it earlier, before he arrived—of hockey violence. There is no question that the member has individually sensitized this Legislature to the issue. I could say it of other members. There are the contributions from the

member for Oshawa (Mr. Breagh) on legislative reforms around here and the member for Algoma (Mr. Wildman) on northern concerns. There are a lot of others.

Mr. Warner: I am waiting.

Hon. Mr. Peterson: The member for Scarborough-Ellesmere (Mr. Warner) is just back. He has taught us how to call for a minister's resignation with great dignity. It does happen. I am prepared to wrestle with the member and other members about building that role of the private member, at the same time trying to be sensitive of the responsibility of the government for the execution of those decisions. In a lot of ways, we have transferred powers to the private members. The member's suggestion of the use of the committee system is good.

This House tends to be supercharged with partisanship; that is just the tradition of the thing. That is why we are two sword lengths away from each other, so we will not slit each other's throats. Committees do work. Not every one, but I have seen some remarkable work out of committees. One of the joys we have is that, by and large, everybody around here likes each other personally, and when we get into that forum without the pressure on, it does work. Lots of good things have been accomplished by committees over the last 10 years.

I certainly have no problem exploring those ideas, how to get those ideas into the House, getting members better informed, like the select committee on economic affairs working on the trade issues. Those are pretty big issues just to comprehend; one cannot understand them just by reading them in the newspaper. One must struggle and wrestle with them and get briefed by experts.

Even with the higher level of education we all have, the reality is that one cannot be an expert on every issue around here. The problem with being Premier is that people come to me and say, “What is your opinion?” I cannot pretend to be an expert on every issue. There is just too much to absorb. But I am certainly anxious to pursue any ideas the member and other members have for enhancing the role of the private member.

I think we have made some big strides. I think we have made more strides in the last year and a half than we have in the previous 20 years in terms of a quantum leap. That is not to say we cannot go farther.

I am dedicated to trying to run this parliament on as civilized and as humane a basis as we can. I understand fights and I like a good scrap. I do not mind a good fight about policy; there is nothing

the matter with that. It is the personal fights, the meanness—that is the kind of stuff I have problems with. I want to go home, and I am not very proud of myself. I am not saying I have not been involved in them, but they do not enhance any of us at all.

Let me go on to McKenzie and Laskin. I cannot tell my friend I can stand here and disavow it completely. I am not going to do that. I know how unhappy he is with it, how unhappy the labour movement is with it, and Wilson, whom I have had an opportunity to meet and for whom I have a great deal of respect. We have chatted about it. I know how deeply he feels. I do not think I have ever seen a report that I have seen more harsh words used about.

One could say oppositions are never happy with any report they get that does not agree with them. One could say that or one can look at the subject and say there are other areas they should have gone into.

What is any report? It is one or two people's opinion. You can argue they are the wrong people; you would have preferred to hire someone who would agree with you. Somebody else would prefer somebody who agreed with them. What is a consultant? Sometimes I think consultants are just paid to tell you what you want to do anyway. I have some problems with all those kinds of things.

The sense was that they were competent, with no particular axes to grind, and they could be helpful in analysing some problems that exist. There is no question about that. My honourable friend opposite knows those problems better than anybody, and if we did not know them, he sure brought them to our attention.

The report does not matter; it is what we do with the report that matters. It is under very active consideration and work by the government. The minister has worked hard on this. It is not an easy issue.

I understand the point of view of the member opposite. He has expressed it to me privately. He is worried about the balance. Obviously, management is worried about the right to manage and to organize a company. On the other hand, how do we handle this health and safety business, because it is extremely important?

My friend the Minister of the Environment (Mr. Bradley) tells me the real environmental problems are industry-related. We talk about the problems of acid rain and toxics, and those are real problems, but the Minister of the Environment will tell us the real problems are occupational health and safety. They are really tough

ones. That is a reality, so we have to make progress, and we are making some in that regard.

I cannot honour the member's request to disavow the report, but I will try to see it through his eyes and try to take a balanced view of the situation.

With respect to his suggestions about the north, I do not want to be unkind, but I have heard that same speech for 10 years around here.

Mr. Martel: I have been giving it for 20.

Hon. Mr. Peterson: I am glad I have not been here for 20; that is all I can say to that.

There are lots of great theoretical ideas about making potash and using the sulphuric acid and others. I say to the member frankly, there is not a reasonable idea we will not participate in. Look at peat. I have heard of every saviour for the north: peat and processing and tourism.

Mr. Martel: Not tourism, no. You will not get—

Hon. Mr. Peterson: Not the member. No one would go to visit him personally anyway, and I can understand that.

There is not a solution I have not heard from somebody. Everybody says we need more planning, but they do not know what they are planning. Theoretically, when you are planning something, you should know what you are planning. If you are planning to build a house, you should know you are trying to end up with a house.

He knows—maybe he knows, maybe he has the secrets of all this; I am not sure. I want to share this with him, and I have shared this with him before, but I will tell him again.

Mr. Chairman: Might I draw the Premier's attention to the clock? In other words, share very quickly if you would.

Hon. Mr. Peterson: Order in a pizza, Mr. Chairman, and we will keep going.

We are trying to put emphasis on initiatives that northerners will sponsor. I assure the House there is not a reasonable economic idea we will not support. We are trying extremely hard to get secondary industries. We are trying to work on using every single natural advantage we have, and there are many, the resources, the scenery, the people and everything else, to bring economic activity. There are things happening.

I think the key is northern people with the support of government here. It is unlocking the creativity that is there. One of the problems of the north is that its history has been large, foreign-owned corporations. It was built by pioneers 50 or 100 years ago, but taken over by these great

foreign corporations. We have to break that mentality. The people now who are looking for work and things to do in the future have to work with their own entrepreneurial spirit. We have to play a supportive role and we are prepared to do it.

If members will come back next week, I will finish my speech and I will tell them the keys to unlocking the great potential of the north.

Mr. Chairman: Is there some understanding, or does the committee feel that is enough time for these estimates?

Mr. Breagh: I will just bring to your attention, Mr. Chairman, that there is some general agreement that we could carry these votes just before we rise and report this afternoon.

Mr. Wildman: We will do anything to facilitate government.

Mr. Gillies: With less than an hour left in the estimates and our wish to move the business of the House along, we are prepared to agree to that.

Mr. Chairman: We are carrying both estimates, the Office of the Premier and the Cabinet Office programs.

Vote 601 agreed to.

Vote 101 agreed to.

Mr. Chairman: Shall the estimates be reported? Agreed.

On motion by Hon. Mr. Elston, the committee of supply reported certain resolutions.

BUSINESS OF THE HOUSE

Hon. Mr. Elston: I would like to indicate the business for the coming week.

On Monday, February 9, we will deal with legislation in the following order: Bill 189, mining tax; Bill 192, Hamilton-Wentworth; and will continue debate on Bill 170, pension benefits.

On Tuesday, February 10, we will conclude debate on Bill 170, pension benefits, followed by Bill 159, insurance and Bill 190, mental health, plus any other legislation as agreed to, time permitting.

On Wednesday, February 11, we will have third readings of all bills completed next week, followed by estimates concurrences.

On Thursday, February 12, in the morning, we will consider private members' business standing in the names of the member for Durham West (Mr. Ashe) and the member for Algoma (Mr. Wildman). On Thursday afternoon, we will proceed with budget windup speeches and the supply bill, royal assent and the prorogation speech by His Honour.

The House adjourned 6:04 p.m.

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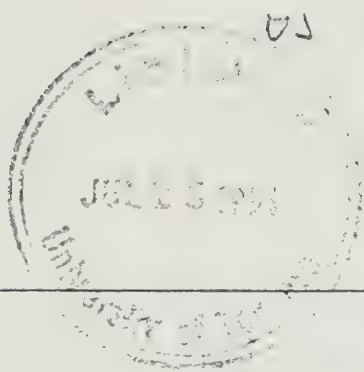
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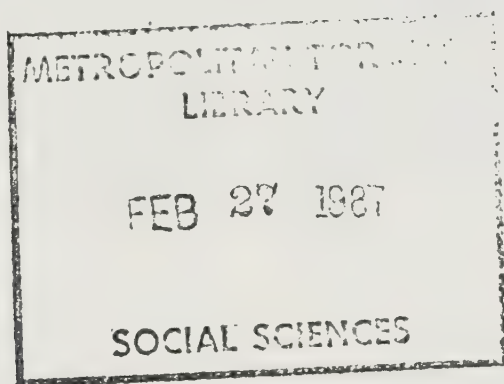


No. 100

Hansard

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Legislative Assembly of Ontario



Second Session, 33rd Parliament
Monday, February 9, 1987

Speaker: Honourable H. A. Edighoffer
Clerk of the House: C. L. DesRosiers

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LEGISLATIVE ASSEMBLY OF ONTARIO

Monday, February 9, 1987

The House met at 1:34 p.m.

Prayers.

MEMBERS' STATEMENTS

CANADA-FRANCE FISHING AGREEMENT

Mr. Barlow: On Saturday afternoon, I attended a rally at the Cambridge Newfoundland Club and received this petition, which I have with me today. It is being forwarded to the government of Canada by Leave Our Fish Alone. LOFA is a group of former maritimers who support Premier Ian Peckford's position on the interim fishing agreement Ottawa signed with France. The petition reads:

'Whereas the federal Conservative government has unilaterally granted France permission to fish within Newfoundland's and Canada's territorial boundaries without consultation or agreement from the Newfoundland government;

'Whereas this decision will result in economic hardship and high unemployment to Newfoundland fishermen and undermine Canada's sovereignty;

'Be it resolved that we, the undersigned, oppose this decision that threatens the livelihood of all maritime fishermen and we demand an immediate reversal of this agreement with France, and further, to enter into negotiations with the Newfoundland government for a mutual involvement of this problem."

I would like the Premier (Mr. Peterson) to be aware of LOFA's sentiments, carrying them to the provincial Premiers' meeting tonight. I believe our federal government negotiated what was thought was the best deal for both Newfoundland and Canada, but we must send a clear message that the provinces must be consulted on issues as vital as fishing for cod is to Newfoundland.

NATIVE FISHING AGREEMENT

Mr. Wildman: As the discussion of the possible ramifications of the negotiation of an Indian fishing agreement continues in the north-east, I would like to read into the record part of a note from William Auld, an 18th-century Hudson's Bay factor, when he was writing back

to the company in London asking for better treatment of the Indian people. Mr. Auld said:

"At the judgement seat of heaven...your honours as well as ourselves must deliver in the accounts of our government. There, distinctions of colour cease and it will avail but little if we transgress the rights of our coppered Indians to satiate rapacious tradesmen of a fairer hue."

I would hope that all members of this House take those words into account in determining how they react to some of the comments that have been made about the possible effects of an Indian fishing agreement on the relationship between the Indian people and the white people of northern Ontario.

It is important that we recognize the rights of our Indian brothers and that we negotiate fair and equitable comanagement of our natural resources so that we have proper conservation of fish and game throughout the north and across Ontario.

TABLING OF INFORMATION

Mr. McLean: I have in my hand two responses from two ministries from which I have requested information. One is from the Ministry of Transportation and Communications and the other is from Management Board of Cabinet.

Last May, I requested the Minister of Transportation and Communications (Mr. Fulton) to provide me with the names of the members and their staff who have cars assigned to them, plus the names and positions held by the other staff who have the use of government vehicles. Recently, I received a report that this would not be available to me until the end of the month, February 27, 1987, to be exact—eight and a half months to dig out the list of vehicles that the government operates and who operates them.

Last May, I asked the Premier (Mr. Peterson) to provide an accounting of the taxpayers' costs for the cabinet meetings that had been held in Windsor, Kingston and Niagara-on-the-Lake last year. I did receive a partial answer last June and was promised the balance by mid-July 1986. Recently, I learned it would not be provided to me until January 21, 1987. I have still not received anything.

I cannot believe that information such as I have been requesting is not readily available on the

Legislature's computers or otherwise. It could be provided quite easily. I believe the information is probably easily available, but that for some reason someone is trying to hide it. What happened to the promises by the Premier of an open and free exchange of information in this government?

PENSION FUNDS

Mrs. Grier: Later today, I will be presenting a petition signed by more than 1,000 employees of Goodyear Canada whose plant on Lake Shore Boulevard in my riding will close on May 31, 1987.

Members will recall that this House thought the announcement of the closure of Goodyear was important enough to justify an emergency debate last November. Since that time, the government has taken no action either to implement legislation that will protect workers who face similar shutdowns or to assist the workers of Goodyear.

1340

The petition I intend to present today is specifically concerned with Bill 170, An Act to revise the Pension Benefits Act. The petition requests the government to pass Bill 170 quickly. What many of the petitioners did not realize when they signed the petition was that one section of Bill 170, which greatly affects their situation, is section 75 and section 75 is not retroactive. It is therefore imperative for the wellbeing of these longtime Goodyear employees that the bill be passed prior to May 31, 1987, or that section 75 be made retroactive.

We in the New Democratic Party will do our part to ensure swift consideration of this legislation in committee during the coming recess. We will be moving amendments that will make the bill a true reform of the Pension Benefits Act. We call on the government to support these amendments and to make sure the legislation is given third reading early in April. The workers of this province have been waiting a long time for pension reform. For the workers at Goodyear, time is running out.

SOVIET IMMIGRANTS

Mr. Offer: I would like to inform the House that over the weekend the Mariasin family emigrated to this province and this country from the Soviet Union. Lea Mariasin is a 61-year-old woman who is currently ailing from cancer. Her husband, Alexander, is 62 years of age and her daughter, Faina, is 33. They arrived in this country on Friday after being refused this

privilege for 13 years. Lea Mariasin is currently undergoing cancer treatment at the Toronto General Hospital. The family comes from Riga, Latvia, where Mr. Mariasin was a Second World War veteran and had been thought of by the Soviet government as being the holder of certain secrets.

There have been efforts by so many people not only in this province but indeed throughout this country, who have implored the Soviet Union to take the action to allow the release of the Mariasin family and to allow Lea Mariasin the treatment she so desperately requires. I would like to commend all and everyone who has had a part in those efforts. For that, we should be very proud.

HOSPITAL SITE

Mr. Shymko: I would like to address a matter of urgent and pressing need in relation to the future of the Runnymede Hospital for chronic care in my riding. It is well known that the present facility, which was a former public school building, is at the top of the list as one of the worst possible sites for a hospital in Canada. It is a true miracle that the board of directors and the staff of the hospital have managed to maintain the level of operation and care over the past number of years in spite of these terrible conditions.

In the light of the joint agreement recently signed by the Runnymede Hospital and Northwestern General Hospital dated January 30, a copy of which was sent to the Minister of Health (Mr. Elston), I would like to urge the minister and the government to meet with the board of directors of the Runnymede Hospital prior to making any decision on its future and to discuss the proposed relocation to the Northwestern site.

As the minister knows, the board agreed, after thorough consideration of many alternatives and suggestions since 1968, that the only option it would support was relocation and expansion as an autonomous hospital, as previously submitted and outlined in the joint proposal with Northwestern General. I am pleased that the minister assured me last week in the House that no arbitrary decision will be made by him prior to meeting with the board and deciding the future of the Runnymede Hospital. The board has taken serious exception upon hearing that the hospital could be relocated to the West Park site by a ministry directive with no prior meeting and discussions.

STUDENT ASSISTANCE

Mr. Warner: I raise the frustrating case of Angela Browne, a disabled student who has been

tempting to mount the barriers that have been put up by this government preventing her from receiving student assistance so that she may attend Brock University. In particular, there is a problem here from a letter from the government stating that she and her mother and a third party have to reveal to the government the nature of the disagreement between her and her mother before they will consider giving her money. It is an inappropriate way to assist students and I think she deserves better treatment.

r. Rae: Mr. Speaker, I wonder if I could have the unanimous consent of the House to pay tribute to Davidson Dunton, who passed away over the weekend.

I agreed to.

DAVIDSON DUNTON

r. Rae: Ontario lost one of its most distinguished citizens on Saturday, though I am sure he would not have wanted to be considered only a citizen of Ontario but, indeed, a citizen of Canada and the world.

Davidson Dunton had a remarkable public career. He worked for a number of newspapers before the Second World War. He was the director of the Wartime Information Board during the Second World War. He went on to become the head of the Canadian Broadcasting Corporation and, indeed, presided over the advancement of the CBC into the world of television. In 1958 he became the president of Carleton University and presided over the expansion of this great university. In 1963 he was named the chairman of the Royal Commission on Bilingualism and Biculturalism. He also was a member of the Ontario Press Council and, I am sure, he came into contact with a great many members in the jobs and extraordinary work he did.

I think it can be said that he paved the way for a greater recognition in Canada of the importance of our bilingual and bicultural heritage. He was a great man, and, I think it would be fair to say friendly, not only to both of the media and of politicians with respect to their public obligation. He was a very outstanding educator, and he continued on, after retirement as president of the university, to be first as the director of the Institute of Canadian Studies and subsequently as a fellow. I have described something of the public life of Davidson Dunton, but I cannot rise in my place to say something of the man himself. I must confess that I speak with some real personal affection. Davey Dunton was my godfather. He was one of my family's closest friends and he lived his life in a house across the street from

where I grew up. He was a remarkably kind, thoughtful, warm and inspiring individual.

He was a man who combined tremendous gentleness with a great deal of courage and insight into the affairs and life of this country. He was a deeply committed Canadian who knew, cared about and loved Canadian art, Canadian artists, Canadian writers and Canadian life. He was deeply committed as well to the quality of our public life.

He was an extraordinary man, and it is in that sense that I wanted to pay tribute to him this afternoon.

Hon. Mr. Sorbara: If I may, on behalf of the government and the people of Ontario, I simply want to echo the words, sentiments and views expressed by the member for York South (Mr. Rae). Ontario and Canada, as he said, have suffered a great, great loss. Davidson Dunton contributed greatly to the fabric of life not only in Ontario but also right across this country.

I might point out that Mr. Dunton was president of Carleton University from 1958 until 1972. In fact, although he was the fourth president and without lessening the contributions of the presidents who preceded him, he is in many ways considered to be the father of Carleton University. When he took office as president in 1958, Carleton University was made up of one building in downtown Ottawa and had a faculty of under 100 members. By the time he finished his work of really creating a truly outstanding institution, Carleton University was located, with its multifaculty and multidisciplinary facilities, in suburban Ottawa with a faculty of some 620 and had become one of the truly outstanding institutions in the province.

I have been asked by the current president of Carleton University to express publicly in the House their great sorrow.

1350

I have one interesting note to point out. Notwithstanding that Mr. Dunton studied in many institutions around the world, he never received a university degree, although he received several honorary degrees. Those honours were most appropriate. I understand he used to kid everyone about the fact he had never actually graduated from a university.

He has done great service to this country. One great historian said that nations are formed by the remembrance of great deeds done together. Mr. Dunton is one of those individuals who have helped us along with those great deeds.

Mr. McFadden: In observing the death of Davidson Dunton today, we mourn the passing

of a remarkable Canadian. He was a newsman, a distinguished public servant, an educator, a respected university administrator and a royal commissioner, just to name a number of the notable roles he played in Canadian society. He served as chairman of the board of governors of the CBC, made an outstanding contribution to education in eastern Ontario as president of Carleton University, was co-chairman of the Royal Commission on Bilingualism and Biculturalism and, latterly, served as the first chairman of the Ontario Press Council.

To have held any one of these positions would be, for most people, a great achievement of an entire lifetime. To have held all these positions was a very rare achievement indeed. He served with distinction in these roles as well as in various other activities during his very long and very full life.

We mourn the passing of this great Canadian. We can, however, be thankful for his life and for the contribution he made to the betterment of our society.

Mr. Speaker: When Hansard is printed, I will, on behalf of the House, forward a copy of your words of sympathy to the family of the late Mr. Dunton.

Hon. Mr. Scott: I wonder if I could ask for the unanimous consent of the House to make a statement about legislative counsel.

Mr. Speaker: Is there unanimous consent?
Agreed to.

ARTHUR STONE

Hon. Mr. Scott: I wish to advise the members of the House with very considerable regret that our senior legislative counsel, Arthur Stone, has chosen to take his retirement from the public service on April 1, before we meet again. All members will be delighted to hear he will take with him into his well-deserved retirement his Queen's Counsel patent.

All members of the House, new and old, have come to know and appreciate the talents of Art Stone as a drafter of legislation, but many of us perhaps do not know much about his background and some of his other abilities. I would like to touch briefly on some of them. Art Stone was born in Renfrew county, a county that has made significant contribution to the House as it is, into a family of Scots ancestry and tradition. He took up the bagpipes at an early age. When his family moved to Toronto when he was a young boy, he started a pipe band at Lawrence Park Collegiate Institute.

It was as a piper that he entered the army in the Second World War, though he was only 20 years old. He received an officer's commission during that service and went overseas to take part in the D-Day invasion of Normandy. He was wounded in action but rejoined his battalion for the crossing of the Rhine.

After the war, he returned home to study law and to marry his wife, now of 36 years, whom I will introduce shortly and who is here today in the Speaker's gallery, as she has been on many other legislative occasions. The Stones have raised four children and have three grandchildren.

At some point, no doubt when he had leisure time—it is hard to believe he ever had any—Art Stone took up painting, like a distinguished occupant of the office I have the honour to hold. I hear Art Stone is considerably better at it than his excellency the honourable Roy McMurtry and painted for a number of years with the late Arthur Shilling.

Mr. Ashe: Is that a Liberal point of view?

Hon. Mr. Scott: No. It is an entirely artistic point of view.

Art practised law in St. Catharines for four years before joining the staff of legislative counsel, which consisted then of only three lawyers, in 1955. After serving as registrar of regulations, he succeeded to the office of senior legislative counsel in 1976. In his 31 years as a professional drafter of statutes, Art Stone has achieved a reputation across Canada and internationally as a master of his craft. He is known for his ability to assemble a complex set of ideas into a clear, logical legislative framework of provisions that are expressed lucidly and elegantly, or at least as lucidly and elegantly as the policy decision permits.

He is also known for his talent in assembling around him a skilled group of professionals, who make our legislative counsel's office the envy of the rest of Canada. A modest man, a retiring man, who has never received the credit that is his due for the works he has created, Arthur has presided over great changes in the writing of our laws. He moved us from the letter press, when he came in, to the computer. He initiated translation of key acts into the French language, established an elegant way of drafting, using nonsexist language, and paved the way for introduction of bilingual bills as required.

Some of his best-known products include the Human Rights Code, the Health Disciplines Act, the Health Insurance Act, the Family Law Reform Act, the Succession Law Reform Act

and the Courts of Justice Act. Nationally, he is known as the leader of the Uniform Law Conference of Canada, many of whose recent projects bear his fine hand.

Arthur understands and appreciates the legislative process better than most and has always shown a great deal of respect for the members of the House and the process of debate in the House and in committee. Members of all parties have come to rely on his wisdom, judgement and experience in all matters concerning the making and writing of our laws. I know from my colleague the Treasurer (Mr. Nixon) that this extends to opposition members as well as government members.

We will all miss Arthur Stone. We salute him and his achievements as he is about to take his retirement. We wish him and Mrs. Stone many happy and healthy years of recreational pastimes, such as painting and so on, and the company of his family and friends.

I would ask Mrs. Stone, who is, as usual, in the gallery, and Mr. Stone, who is, as usual, slightly behind the Speaker's chair, to stand and acknowledge the appreciation of the House.

[Applause]

Mr. Andrewes: I rise to speak on behalf of our party, to associate myself with the comments of the Attorney General (Mr. Scott) with respect to the retirement of Mr. Stone and with some of the comments the Attorney General has made with respect to Mr. Stone's background.

I make these remarks as one member of this assembly who is not a member of the legal fraternity, and this perhaps make the remarks somewhat more objectively in terms of my view of the importance of legislative counsel. I notice, as well, that a number of the rest of the staff of legislative counsel's office are in the members' gallery. I think that is indicative of the stage our legislative cycle has reached, in which we must be fairly near the end of the session.

Lest my geography with respect to the assembly suggest there might be some bias, in that Mr. Stone and the counsel of the legislative counsel's office both reside in the Whitney block, as well as myself, I want to assure members that my comments are unbiased and not premeditated by any means.

00

Members, particularly private members, often find themselves proceeding with some haste to the shrine in legislation the righteous indignation that they have realized and found necessary to express. They fail to realize often that this righteous indignation does take the form of a law,

or may take the form of a law which finds its way, for better or for worse for posterity, often before the scrutiny of the courts, whose interpretation of that law can vary from its original intent, so it is necessary that these preparations be complete.

Mr. Stone is an excellent example of the sort of patient and pleasant approach the legislative counsel's office, in my experience, has taken with members, a patient and pleasant approach that is tempered by the need often to be firm.

Arthur Stone, of course, has been performing his silent heroics here in the Legislative Assembly through the intricate detail of what we see as our laws. In saying thank you to Mr. Stone, I want to indicate that here is a man who has approached his job with dignity and responsibility. This perhaps comes about as a result of having spent the early part of his career in St. Catharines, which is a well-known bastion of esteemed and competent legal practitioners.

Mr. Stone has provided us with an excellent example, and certainly an excellent example for his successor. We wish him well, good health and happiness as he takes his leave to pursue whatever, and no doubt pursue it with increasing excellence.

Mr. McClellan: On behalf of my colleagues in the New Democratic Party, I want to echo the sentiments expressed by the previous two speakers and to add our own sincere best wishes to Mr. and Mrs. Stone as they enter a life of retirement.

The Attorney General—I guess of necessity, because he has not experienced the joys of opposition as yet; I am sure those joys will come to him soon enough—did not speak about the particular role Arthur Stone has played to back-bench members of the assembly. I want to dwell on that for just a moment.

Mr. Stone has established a professional service that enjoys the absolute trust and confidence of all members of the assembly, whether they are in government, on the Treasury benches or on the back benches. I can say of Mr. Stone and of the staff in his office, as can be said, quite frankly, of relatively few other institutions in the public service, that members from all parties and from all sides of the House, front bench and back bench, have been able to approach his office with an absolute assurance of integrity, of professional competence and of absolute respect for confidence and confidentiality. There has never been the slightest shade of a whisper of anything other than absolute trust in the services offered by Mr. Stone. I say, on behalf of all of those who have served in

opposition, a particular thanks for that accomplishment.

I am sure his successor will ensure and maintain the same standards of nonpartisanship and trust that we have come to take for granted. We say again to Mr. Stone, "Thank you for your years of service and best wishes for health and happiness in your years of retirement."

REDIRECTION OF QUESTIONS

Mr. Speaker: This may be the appropriate time for me to refer to what took place in this House last Thursday. During last Thursday's question period, confusion seemed to have arisen as to our practice with regard to the right of ministers to refer or redirect questions to other ministers who, in their view, are in a better position to provide answers to the questions asked.

In the first instance, a question was asked by the Leader of the Opposition (Mr. Grossman) of the Premier (Mr. Peterson), who gave an answer. When the Leader of the Opposition asked a supplementary question of the Premier, he chose to redirect it to the Minister of Community and Social Services (Mr. Sweeney). This was objected to, and I agreed to check our practice.

Having done so, it appears to me very clear that redirecting a supplementary question is an accepted practice in this chamber and it seems to me to be well within the bounds of the logic which guides our question period. The right to redirect belongs to the minister and not to the questioner. This has been borne out in reviewing Speaker Turner's rulings from 1981 to 1984.

In the second instance, the member for Scarborough West (Mr. R. F. Johnston) asked a question of the Premier, who redirected it to the Minister of Community and Social Services. After the minister's response, the member for Scarborough West attempted to direct his supplementary to the Premier. When that was not allowed by the chair, points of order arose.

Again, I must say that our practice is very clear, in that a supplementary can be asked only of the minister who has just answered, because supplementary questions always flow from the nature of the answer given. Furthermore, if standing order 29(f) has any application in this context, it would tend to confirm our practice in that the right to redirect belongs to the minister and not to the member asking the question.

I hope that clarifies it for members of the assembly.

ORAL QUESTIONS

IMMIGRANT WOMEN'S CENTRE

Ms. Fish: I have a question this afternoon the minister responsible for women's issues. The minister will be aware that in about a month the Immigrant Women's Centre will be forced to close the door on its mobile health van as a result of inadequate funding. Can he tell us today whether this government has refused since last spring their request to fund the mobile van?

Hon. Mr. Scott: I cannot respond to that, but I will look into it and be in touch with the House on the member very promptly.

Ms. Fish: I hope the minister's memory will be refreshed rather quickly, since he was prepared to engage in this discussion at estimates, notably to the fact that the officials of the Ontario women's directorate have been attempting to prevail upon the Minister of Health (Mr. Elston) to provide funding for this centre. The minister has now indicated that he will not fund the centre but is demanding that its representatives come forward to a meeting tomorrow.

If this government will fund the centre, will the minister tell us that today? If this government will not, will he tell us why it is necessary to have a meeting?

Hon. Mr. Scott: The member refers to a meeting that will be held with the Minister of Health. I will be glad to look into the matter and report to her and to the House.

Ms. Fish: I am amazed that the minister responsible for women's issues, who made many vaunted announcements last spring about services to immigrant and minority women, and not particularly some of the health initiatives for immigrant and minority women, has failed to inform himself in this matter and is failing to provide adequate information to the House.

The request is for \$50,000. With the \$50 million in windfall revenue the Treasurer (Mr. Nixon), who sits to his immediate right, received this year, can the minister tell us again why he continues to refuse to fund the van?

Hon. Mr. Scott: If the member was really interested in the answer to the question, she would have given me notice 15 or 20 minutes ago and I would have had the answer for her.

1410

SELF-GOVERNMENT FOR NATIVE PEOPLE

Mr. Sterling: I would like to ask a question of the Attorney General and minister responsible for native affairs. Will the Attorney General

Interjections.

Mr. Sterling: We cannot keep that bench over here quiet either.

Will the Attorney General explain to the legislative Assembly the position his government will be taking in the upcoming constitutional conference on aboriginal rights with regard to self-government for our native people?

Hon. Mr. Scott: On Thursday or Friday last, I had occasion, with the honourable the Leader of the Opposition (Mr. Grossman) and the honourable the leader of the third party, to attend the aboriginal Summit and to describe the position the government of Ontario will be taking and has taken in the matter of self-government for aboriginal people.

I made the point in the presence of the Leader of the Opposition, and he accepted it, that it is the policy, essentially a bipartisan policy that all parties in this Legislature have adhered to, and particularly, our policy is founded on the policy of the late government headed by the former premier, the member for Muskoka (Mr. F. S. Miller).

The policy, essentially, is this: the contest for a constitutional amendment is between an amendment which acknowledges what is called an inherent right to self-government and an amendment which recognizes a constitutionally guaranteed right to self-government as negotiated in agreements.

The native people of Canada, or at least one organization representing them, favour the first. No government in Canada has supported the first. The first allows entrenchment and permits the courts, if there are no agreements, to decide what the institutions of self-government will be. The second permits the aboriginal associations and the governments of Canada to negotiate the terms of self-government.

Virtually every government in Canada, including this one, supports the second proposition. My point to the aboriginal association is that it is critical to get the support of seven governments and the federal government before any amendment can be obtained.

Mr. Shymko: I want to clarify that this party and this side support inherent rights, not the contingent position of the minister.

I would like to ask the minister: in the light of last week's Aboriginal Summit, which I attended with the leader of our party, can the minister explain the insulting, patronizing arrogance of a statement he made, namely, saying to the aboriginal people, "You may have to accept half loaf or nothing at the first ministers' confer-

ence"? Short of using Marie Antoinette's famous putdown, "Let them eat cake," can he explain that?

Hon. Mr. Scott: The honourable member either does not know what he is talking about or is separating himself from his party. Inherent right, as the native people understand that, was opposed by Premier Davis; was opposed by the former Premier, the member for Muskoka; is opposed by every leader in Canada, with the possible exception of Premier Pawley, who is in doubt on the issue; and was opposed as recently as last Thursday or Friday by the Leader of the Opposition, who said he adhered to the position of the Miller government and favoured, as we do, an entrenched constitutional amendment respecting self-government, to be negotiated in agreements following the constitutional amendments.

I take it that the member is alone in his party, as there was no applause for his question, and that the balance of the party proposes to support the view of the Miller government, which has been substantially adopted by this government.

My point about taking half a loaf was simply this: we are one month away from this last constitutional conference under the Constitution. There is no government that favours the constitutional amendment advanced by the Assembly of First Nations. In order to get any constitutional amendment, you have to have the support of the federal government and seven provincial governments. I said to the AFN, "If you persist in seeking an entrenched inherent right, there is a real risk you will not be able to obtain the adherence of enough governments in the month that remains."

I therefore encouraged them—I did not dictate; they are masters in their own house in this sense—to look again at the issue, so that a constitutional amendment protecting self-government could be obtained.

Mr. Shymko: The minister continually distorts facts and tries to speak on behalf of this party. The Miller government's position was that we would not sign any amendment or any agreement unless—

Mr. Speaker: Order.

Mr. Shymko: I want to clarify my supplementary.

Mr. Speaker: Do you have a supplementary?

Mr. Shymko: I have my final supplementary. The position of the former Premier, the member for Muskoka, at the last first ministers' conference was the following: we would not accept any amendment or any entrenchment of rights that

would be opposed by the aboriginal peoples of Ontario. That was our position, and our position is inherent rights.

The minister has not answered my question about taking half a loaf or nothing, which is a patronizing insult. Why has he not to this day met with the representative of the aboriginal peoples of Ontario? He may not meet with us, but not meeting with them is unacceptable and deplorable as far as we are concerned.

Hon. Mr. Scott: That is a lot of rhetoric. I have met with the native people at four ministers' conferences, I have met with them last Friday, I have met with them privately in my office on a number of occasions and I have met with them in the cabinet committee for native affairs. I have also made arrangements to meet with them again between today and the next ministers' conference in about a month. So I have met with them and will continue to do so.

The member is quite wrong if he says his party has traditionally supported inherent rights as a constitutional amendment. The former Premier, the member for Muskoka, never did that. I would be interested to see whether, in fact, that is the position of the Conservative opposition, because my friend the honourable Leader of the Opposition, who was notably silent, took exactly the opposite position at the Aboriginal Summit last week.

The member for High Park-Swansea does not know what he is talking about on that issue.

SOUTH AFRICAN INVESTMENTS

Mr. Rae: I have a question to the Premier about South Africa. I wonder whether he can explain why in the legislation that was tabled on Thursday by the Attorney General (Mr. Scott) the option followed was the weakest possible option with respect to the issue of pension fund investment.

The Premier will be aware that last August the officials from the government of Ontario who were on, for example, the so-called HOOPP fund, the hospitals of Ontario pension plan fund, abstained on the critical question of divestment within a year when requested to take that position by the trade unions that were also represented on the investment committee.

Can the Premier explain why we still have only a voluntary divestment policy from the province with respect to public funds, with respect to public pension plans? If the government is so committed to doing something about South Africa, why did it choose the weakest possible

action even as described in the wording of its own cabinet document?

Hon. Mr. Peterson: I will refer that matter to the Attorney General.

Hon. Mr. Scott: I would not concede that the action the government proposes in its bill is the weakest of the various options. The reality is that the trustees of a pension fund who wish to make a statement about the South African government and its policies are now effectively precluded from doing so because economic considerations are all that can be taken into account in deciding to divest. We want to give them the opportunity to make that statement freely by divesting.

On the other hand, we do not think it right to compel them to divest because to do so would mean that thousands, perhaps dozens of thousands, of pensioners would have their pension reduced by the decision to divest, which almost invariably costs money—

Interjection.

Hon. Mr. Scott: Before he says it is nonsense if the honourable member would look at New Jersey and California, where divestment is compulsory, he would find that millions and millions are lost on account of divestment, and that is considering only transfer fees. Do not look at the value of the shares; look only at transfer fees. That cost, of course, comes directly out of the pension that is paid to the beneficiary under the pension trust. What we tried to do in Ontario was to select a middle course that permitted the action to be taken by a free board of trustees but did not compel it unnecessarily on pension beneficiaries.

1420

Mr. Rae: The Attorney General knows perfectly well that in a defined-benefit plan, there is no way that would take place. For him to suggest that is thoroughly irresponsible and amounts to the worst kind of scaremongering. It is a tactic and an argument that was never contained in the cabinet document that made the recommendations or contained the various options that could have been made by cabinet. I am quite astounded that the Attorney General would choose to use that kind of scaremongering tactic when he knows it is thoroughly irresponsible. He must know that.

Mr. Speaker: The question is?

Mr. Rae: I would like to ask a supplementary question of the Premier, who I would have thought would have been interested in this subject, or if he is not prepared to answer the question, of the Attorney General. I do not know whether the Attorney

General now has carriage of this issue as well as the other issues.

When the cabinet was presented with three options regarding Massey-Ferguson, to divest the holdings in Varsity—that is to say, Massey-Ferguson—to support the Taskforce on the Churches and Corporate Responsibility and vote in favour of divestment of South African holdings, or to take no action, can the Attorney General explain why the cabinet recommendation was to take no action and do nothing with respect to Massey-Ferguson and the question of divestment?

Hon. Mr. Scott: In my respectful view, the honourable member is not accurate. Not all pension plans and pension benefits are defined-benefit plans. The point I make is that if you have compulsory divestment, as you do in New Jersey and California, for example, experience shows that compulsory divestment leads to very substantial loss to the pension trust if you consider only the cost of the divestment act itself. It was a determination as a government that while that cost might be borne, it should be borne when a decision had been made by the trustees to act, supported, in so far as it could be obtained, by the consent of the beneficiaries of the trust, and that this loss should not be imposed on the trustees or the beneficiaries by a government that simply might to make a moral statement at the expense of somebody else.

Mr. Rae: I did not hear an answer to my second question. Obviously, the Attorney General does not have an answer to that question so I chose to answer something I did not ask. It is not a tactic he invented but it is one of which he is a fine practitioner.

I would like to ask the Attorney General this, once again he seems to be the minister with carriage on this issue, one in which the Premier has apparently abandoned interest: with respect to government procurement, a number of options were presented in the cabinet document of September. Can the Attorney General explain why the provincial government is still doing less than the federal government with respect to procurement? There are still fewer guidelines laid down. In fact, we can say there is still no policy in Ontario with respect to doing business with companies that have majority shareholders with shares in South Africa. Why is there still no official government of Ontario policy with respect to procurement?

Hon. Mr. Scott: There is such a policy; it was announced in the statement I read on first reading. It is true that one part of our policy,

looked at in isolation, may be perceived to be a middle course or not the strongest possible stand, taken by itself, but I challenge the leader of the third party with this: when you take the package of policies that this government has selected to deal with South Africa, there is no government in Canada that has shown more aggressive leadership on that subject than the government of Ontario under this Premier.

[Applause]

Mr. Speaker: New question, the member for York South.

Mr. Rae: Not everyone applauded that statement. All I can say is that it is a load of hooey. It is just not true.

Mr. Gillies: Make him withdraw "hooey."

Hon. Mr. Scott: Look it up in Roget's Thesaurus.

Mr. Gillies: Bruno Gerussi wouldn't say that. Interjections.

Mr. Speaker: Order. The member for York South has a question to which minister?

OCCUPATIONAL HEALTH AND SAFETY

Mr. Rae: Speaking of hooey, I have a question of the Minister of Labour.

The latest report of the Advisory Council on Occupational Health and Occupational Safety—which the minister suppressed for a great many months and which was finally released very quietly last week—had some very devastating things to say about the operation of health and safety committees across the province. For example, it pointed out that in those work places that do have health and safety committees, 78 per cent do not comply with the act.

It went on to point out that in small places with fewer than 20 workers, where designated substances—that is to say poisons—are present, the percentage of work places with health and safety committees was only 66 per cent. In other words, one out of three of those work places does not even have a health and safety committee.

Given this and other facts that I will go into in my supplementaries, can the minister explain the very arrogant and dismissive view this government has taken of the private member's bill of my colleague the member for Sudbury East (Mr. Martel) and tell us why, if he really believes in the work of a minority parliament, he would not give this bill the kind of priority it deserves and see that it gets passed by the Legislature?

Hon. Mr. Wrye: First of all, I would not for one moment agree with the honourable gentleman that the advisory council's report was

suppressed; it was made available to the Legislature just as soon as it was ready. I understand it was a little bit late and I apologize for that, but it was certainly made available. Indeed, a draft copy of some of the report's key material, which the member asked about, was made available to the member for Sudbury East months before the report was tabled.

I believe the legislation the honourable gentleman refers to is important inasmuch as it maintains the high level of public interest and heightens public interest in the whole area of occupational health and safety. Certainly, this government has not backed away from that very important and crucial issue.

However, I have some major differences, and the government has major differences, with what I would call the unnecessarily adversarial and sometimes confrontational approach taken in the tone of that legislation. We believe just as firmly as the leader of the third party in the critical importance of the health and safety committees and it is here that we believe the nature of the health and safety committees as proposed by the member for Sudbury East leaves something to be desired.

Mr. Rae: I can only say that if anything leaves something to be desired, it is the minister, his performance and indeed the lack of action on this critical issue of health and safety in the work place. That is what leaves something to be desired.

This report states, "The data suggest very strongly that ministry inspectors have more regular contacts with management members of joint health and safety committees than with worker members." That is the kind of approach the minister prefers. He describes as confrontational or adversarial anybody who would suggest something to the contrary.

Would the minister care to compare that quotation with this one from the now notorious McKenzie-Laskin report, which states, "There is evidence that the inspector's consultative role has a positive impact on committee activity and it should be supported"?

We are presented here with two different views of what is going on out there: a cosy-cosy, chummy-chummy relationship between management and the inspectorate in terms of health and safety, which is again confirmed by the advisory council's report; and McKenzie-Laskin, who think that is hunky-dory. Which view does the minister take?

Hon. Mr. Wrye: Let me say very clearly this government believes that at the appropriate time

there can be a very useful consultative role for the inspectorate in terms of working with the committee; not just with management, not just with labour, but with the committee working jointly and not separately on dealing with the issues of health and safety in the work place.

I am sure the leader of the third party well knows my concern with the approach taken by the member for Sudbury East is that we are simply tipping the scale from the position the member for York South (Mr. Rae) has so often criticized as being unnecessarily tipped toward management, to a position where it is just a clearly tipped in the direction of labour.

It seems to me that in Bill 149 there is no kind of approach that would ask for or indeed demand that management play the full and necessary role it must play if we are going to have enhanced health and safety in the work place.

1430

Mr. Rae: It is perfectly obvious to everybody in this House that the minister's cabinet colleagues and practically his entire caucus voted with their feet on Thursday. They were either not here or some of them were even standing in their place in supporting the legislation. They left the minister out to dry, which is exactly where he belongs.

The report, issued again fairly surreptitiously by the ministry last week, stated that unless real changes are made with respect to increasing the amount of communication and responsibility in the system, the joint health and safety committees can lead, "not to self-regulation, but rather self-deception."

Those are not the words of my colleague the member for Sudbury East and those are not my words. Those are the words of this report of the advisory council. Can the minister tell us why he and his cabinet colleagues refuse to do justice to the bill brought in by my colleague the member for Sudbury East when it is the only piece of legislation before this House that deals with the critical question of giving workers some control over the substances to which they are exposed and some access to the kind of power and influence they deserve? It is their health and safety at stake, not the minister's or anybody else's.

Hon. Mr. Wrye: The honourable member will be pleased and delighted to hear that the government has been working for some time now, and very intensively, on a package of amendments to the Occupational Health and Safety Act. I do mean a package. The act has been in place for some eight or nine years now

, for a number of months, we have been intensively reviewing the Occupational Health and Safety Act and necessary amendments thereto.

We have held discussions with a large number of business organizations, with a large number of individual labour unions and, of course, on a number of occasions, with the Ontario Federation of Labour. It seems to us that we should not be stampeded into bringing in those changes until we can—

Mr. Mackenzie: Oh, come off it.

Hon. Mr. Wrye: My friend the member for Milton East (Mr. Mackenzie), who would never worry about talking to any business organizations, scoffs at that.

We will bring in those legislative changes if and when we have completed our consultation and we are comfortable that we have addressed the important measures that need to be addressed in the act.

Mr. Rae: On a point of order, Mr. Speaker: I think the minister has said something that I have to deal with in terms of a letter I have just received. I have just received a note from Mr. Martel's staff indicating: "Mr. Wrye did not release any information to Elie. We received the report in a plain envelope. The only questions the minister answered were those on the order paper, which—"

Mr. Speaker: Order. New question.

SALE OF LANDS

Mr. Partington: I have a question for the Minister of Municipal Affairs with regard to the very infamous Vaughan land sale. Given that the Vaughan council this evening will be considering servicing of the land that sparked the recent Ontario Provincial Police raids of the offices and homes of two Vaughan councillors, can the minister tell this House what advice he has provided to Vaughan council with respect to dealing with this matter tonight?

Hon. Mr. Grandmaitre: I answered that question in the House last week, as did the minister (Mr. Peterson). The land deal is still under investigation, as are some municipal staff and councillors in the Vaughan area. Until I receive a final report from the OPP, I cannot comment on the issue.

Mr. Partington: Once again, the minister was hanging on his back when the situation called for him to act. He sat on his hands until ratepayers in the town of Vaughan had to call in the OPP crack squad and York Regional Police's

intelligence squad. If the two councillors under investigation participate in the discussion of the land transaction at council tonight, will the minister provide financial support to the Vaughan ratepayers, so they might bring charges against the two councillors under the provisions of the Municipal Conflict of Interest Act?

Hon. Mr. Grandmaitre: I do not know what the honourable member is referring to. I do not think he knows what he is talking about. He is fishing. He is driving a boat in a fishbowl. I remind the member and this House that until the final report from my ministry is completed and the OPP has finalized its investigation, I cannot comment.

UNIVERSITY FUNDING

Mr. Allen: I have a question of the Minister of Colleges and Universities. Two weeks ago the art program and art history department at McMaster University were threatened with closure, which was very narrowly averted. I spoke with the chairman of another department a little later. He said, "I supported the art department, but I know where the cuts are going to come—probably in my department."

Last week the Ontario College of Art announced it was cutting 16 courses and, late in the week, I discovered that the writing labs at Scarborough College are being severely and drastically curtailed.

The minister recently told us that "funding for universities had turned a corner," to use his words. He also used the word "renewal" with respect to his new financing levels. If those words were appropriate for the minister to use, why are we continuing to see such a parade of cutbacks in the university and post-secondary system?

Hon. Mr. Sorbara: My friend seems to suggest that as a result of the increments in funding we have provided—I should say will be providing, because that funding does not begin to be put into place until April 1—there shall never again be a program cut, removed or reshaped in our universities and colleges. That simply is not the case.

If my friend is suggesting that every time a program is threatened, it is appropriate to come to this House and plead with the minister not to cut it, our universities and colleges will simply carry on with every single program and not be able to be responsive to new priorities. There must be priorities set within both our universities and colleges. Sometimes that means certain programs have to be either cut back or done away

with altogether. That is the organic process of growth within our institutions.

Mr. Allen: The minister knows that in spite of his explanation and that while there are adjustments needed, a much reduced and restrained system is not looking at this time at cutting whole departments simply because it is making internal adjustments. In fact, it is cutting them because resources are still constrained.

If the minister is not prepared to provide adequate money to run the system, will he not at least, as he indicated in his answer, provide the moneys in sufficient time that the universities, Ryerson Polytechnical Institute and the college of art can do their forward planning efficiently and over a sufficient period of time, more than a single year, which constrains them so badly in efficient delivery of the work they have to do?

Hon. Mr. Sorbara: That was precisely the premise upon which our announcement of last November 4 was made; that is, we were intending to increase substantially the basic funding levels for universities so that they would have a new plateau from which to begin.

My friend mentions the Ontario College of Art. If my friend read the entire report from the Ontario College of Art, he would know that the problems the president of the college noted were an historic problem of 10 years of cutbacks within the system, which resulted in some program terminations this year. He should also bring to the attention of the House the remarks of the president, who said this government has made valiant efforts to turn that situation around.

I have never said we have done everything that needs to be done, but we are on an entirely different course under our administration.

TECHNOLOGY FUND

Mr. Brandt: I have a question of the Minister of Industry, Trade and Technology. He will be aware that when it was originally announced, the Premier's high-tech fund was to have had a budget of some \$100 million annually over 10 years, for a total of \$1 billion. The minister is also aware that on an annualized basis, that is about a \$50-million increase each year over the budget allocated for that same activity by the previous government.

The minister might also be aware that as a result of some budget adjustments that have now been undertaken by the Treasurer (Mr. Nixon), even the \$100 million has now been reduced to far below the \$50 million that was allocated by the previous government and is now down to

some \$15 million for the high-tech fund for the year.

Would the minister share with this House how that \$15 million is supposed to narrow the gap in technology between Ontario and other competitive jurisdictions like Japan and West Germany?

1440

Hon. Mr. O'Neil: I do not believe that the member, who was the minister previously to forming the government, would want us to proceed with a high-tech fund unless we had everything in place so that we could proceed in an orderly way. Over 400 letters have come in inquiring about the high-tech fund, and we are reviewing all of those letters.

Mr. Brandt: If I may borrow a phrase from my friend the leader of the third party, that is a load of hooey. I have to say that the high-tech fund requires more than just splashy news releases and fancy announcements by the government. The minister's \$1-billion fund is quickly becoming a \$1-billion bust, let me tell him. That is exactly what is happening.

When can we expect some benefit from the fund, which now seems to be mired in total inactivity on the part of his government?

Hon. Mr. O'Neil: I might refer back to the Board of Industrial Leadership and Development fund, which the previous government initiated. I think it took over two years before funds started to flow under BILD.

Let me tell the member that the BILD board and the members on it are very high-profile people, people very interested in technology, and they are working very hard. We will proceed, but we will proceed when we are ready.

RENT REVIEW

Mr. Reville: My question is for the Minister of Housing. Later this afternoon I will be introducing a bill. The bill is designed to come to the rescue of thousands of tenants whom the minister has left in the lurch. These are tenants who are being required to pay up to 30 per cent in rent increases over the next nine months because the minister has left them unprotected by his legislation. Is the minister prepared to embrace our notion of fairness and my bill?

Hon. Mr. Curling: I am trying to understand the honourable member's question. He is asking me to endorse a bill when I do not know what the contents are about. As long as it is progressive in the word—in a way that will protect tenants, of course I will give him support in that, but I do not know the contents of the bill.

Bill 51, which we brought in, brought all tenants under rent review, and that in itself is a very progressive bill.

Mr. Reville: The minister has had the bill in his possession since Friday. I gave it to his press secretary on Friday and I have spoken today with his executive assistant. The bill is indeed progressive, and the minister has indicated he will support a progressive bill. What it does simply—

Mr. Speaker: please be patient. I am about to tell the minister something important.

Mr. Speaker: It sounds more like a member's statement to me. You do have a supplementary?

Mr. Reville: Will the minister support a bill that means that anybody who is required to pay a rent increase in 1987 pays the guideline first until rent review decides, like every other tenant?

Hon. Mr. Curling: Let me say that the honourable member—again, I have always mentioned this in the House—is a very dedicated individual in regard to protecting tenants' rights.

The member is referring to section 73 of Bill 51, which addresses the concern of tenants who were not protected in the past, in the post-1975 buildings, who got increases over and above the guideline, who had to give 90 days' notice before 1986, and they were given, in some respects, above the 5.2 per cent guideline because they did not know what guideline would be in place.

All increases above the guideline must be justified before the board. The situation the honourable member is mentioning now is a one-time transitional situation that will not come about and that will be resolved after March 2. All the hearings will be heard by then.

Mr. Reville: Come on; that is not so.

Mr. Speaker: Order. Interjections are out of order.

TRANSFER PAYMENTS

Mr. Partington: My question is to the Minister of Municipal Affairs. Given that the Treasurer (Mr. Nixon) has extracted from the people of Ontario an additional \$1 billion in taxes this year, which equates with an increase of almost 16 per cent in tax revenues, can the minister explain to this House why he was able to obtain only a 4.9 per cent increase in transfer payments for the local taxpayer in Ontario's municipalities?

Hon. Mr. Grandmaître: The member is misinforming the House.

Interjections.

Hon. Mr. Grandmaître: I did not say he was misleading, but he is using—

Mr. Speaker: You did not say he was deliberately misinforming?

Hon. Mr. Grandmaître: Never.

Mr. Speaker: I think we should be very careful with our language.

Hon. Mr. Grandmaître: I wanted to tell the member that it was not 4.9 per cent but up to six per cent in northern Ontario and five per cent in eastern Ontario. What the Treasurer tried to do was to provide low-growth municipalities or areas, such as northern and eastern Ontario, with more dollars. This is the first time in about 11 years the provincial government has recognized the need for more dollars to municipal governments, and this is the first time in, I think, 10 years that the transfer payments were higher than the inflation rate.

I think we have been generous, and we intend to do more not only for northern and eastern Ontario, but for 839 municipalities in this province.

Mr. Partington: The minister must also be careful with figures. The region of Waterloo got two per cent. The average is 4.9 per cent. How can the minister justify placing an additional financial burden on the local property taxpayers of this province when the Liberal government is holding back its \$1-billion election slush fund from municipalities and when it is reducing the percentage of funds it is transferring to local school boards?

Hon. Mr. Grandmaître: As I said, we have done a lot with very little money. Imagine what we will be doing in the years to come.

ENVIRONMENTAL ASSESSMENT

Mr. Wildman: I have a question for the Minister of the Environment. On January 13, in answer to a question from me, the minister indicated that in the near future he would be announcing a decision with regard to designation of the proposed Magpie River project near Wawa. On further pressing, the minister indicated that "in the near future" might mean by the end of January. Can the minister tell us now what decision he has made with regard to designation of that project and end the uncertainty that is facing the community of Wawa in this regard?

1450

Hon. Mr. Bradley: The member is right in identifying this as a matter of some interest to the people of Wawa and that district. I have indeed received representations from a variety of people

on the subject, including a couple of steelworkers' locals, which have requested that I not designate this proposal under the Environmental Assessment Act, and of course, it is a private sector proposal. In fairness, there have been other people, particularly those who are interested in the tourist end of things, who have made representations from the opposite side.

The member will be aware, as I know he is intimately aware, the proponent in this case has moved generally along the same process as one would in proceeding under the Environmental Assessment Act. This has been helpful. It has provided an opportunity for us to see how the system can work and to determine if, in the final analysis, there is a need for specific designation under the act.

I know the impatience of the member. I think he is justified in expressing that impatience to the House and to the people in his area, and I hope to have an answer quite soon for him on this matter.

Mr. Wildman: That is just not good enough. We have had a number of questions raised in this House, and the minister says, "In the near future; soon."

Mr. Ashe: In the fullness of time.

Mr. Wildman: No, he has never come up with "the fullness of time." I do not think he believes in it.

I wonder if the minister could explain that the reason he has not been able to make a decision has less to do with the different positions taken by people in Wawa than it has to do with the different positions taken by his cabinet colleagues, namely, the Minister of Energy (Mr. Kerrio) and the Minister of Tourism and Recreation (Mr. Eakins). Will the minister explain when he intends, not "soon," but when he intends to make this decision? Will he give us some indication now, so that when I attend the meeting tomorrow night in Wawa, I will be able to tell the people who are interested, and vitally interested, in this project when we can expect a decision—not what might happen but when?

Hon. Mr. Bradley: In answer to the member's question, particularly the first part of the question, the division that exists, the divided point of view, is far greater in the community itself and in that specific area certainly than it is over here.

I like to have input from a variety of sources. I can assure the member I have had input from a variety of sources on the other side of the House who have expressed points of view on this and from people one might not expect to hold certain

opinions on these items as far as the community itself is concerned.

We want to take into account all the viewpoints that have been expressed before we come forward with a decision, but I want to reiterate to the member that I hope to have a decision in the near future.

FAMILY COURT JUDGES

Mr. Rowe: I have a question for the Attorney General, General Scott. Can the Attorney General tell the members of this House how many family court judges he has appointed since June 1985?

Hon. Mr. Scott: My answer to Lieutenant Rowe is that I think I have appointed two, but I am not quite certain. I will have to inquire.

Mr. Rowe: I want to tell the Attorney General that his failure to carry out his responsibilities as the chief law officer of the crown has resulted in a tremendous backlog in the family court in Barrie. Given that the citizens of the province are entitled to a speedy trial under the law, can the minister tell me when he plans to appoint a new judge to the court in Barrie?

Hon. Mr. Scott: First of all, it is important to note that I have filled every vacancy there is in the Barrie area. The retirement of His Honour Judge Morton from the family court there, much regretted, led to his replacement with Judge Gammel, who came from Owen Sound and is now assigned to Barrie. There is a backlog in Barrie, but there is no numerical justification far for expanding the court at Barrie, which is what the member requests.

However, I am going to Barrie tomorrow to speak to the bar. I intend to get their views on the matter. There is a natural desire to have the court expanded, but we are proposing not to make expansions beyond the normal complement of the court until the Zuber commission inquiry report is at hand.

OCCUPATIONAL HEALTH AND SAFETY

Mr. Mackenzie: I have a question of the Minister of Labour. I know the minister is fond of saying he does not want to rush into any matter that might affect workers, but can I ask him where the application of the steering committee of the Hamilton region of the occupational health and safety committee, headed up by Local 100 of the Hamilton and District Labour Council and supported by the Ontario Federation of Labour for a workers' health and safety clinic in the Hamilton area now stands?

We made the application with detailed information, as the minister is well aware, on July 5, 1985. There have been numerous inquiries since. Is it his responsibility or is it that of the Minister of Health (Mr. Elston)—we seem to get different answers—and can he give us some idea when we can expect some answers on the funding of this clinic?

Hon. Mr. Wrye: I believe the honourable member asked the question of the Minister of Health when I was away with my recent surgery. I noted the question at the time and checked on my return. Discussions, I believe, were still under way at that point between officials of the Ministry of Health and the Ministry of Labour.

Mr. Mackenzie: I wonder whether the minister can tell us clearly who is responsible. Because of the difficulties, the president of Local 1005 contacted the minister's office at the end of August, almost six months ago, and was told a meeting would be arranged immediately or very quickly between the ministry and the Ministry of Health. Until three weeks ago, they had heard nothing in spite of that commitment by one of the minister's senior staff. Can the minister tell us who is responsible and when we are going to hear some answers on this clinic?

Hon. Mr. Wrye: I am aware of this. It is a very important matter to the community and to Local 1005. As I said to the honourable gentleman, there have been discussions between the two ministries on a number of occasions. I am aware of the concern of Mr. Silenzi in this matter. I will certainly give an undertaking to the honourable gentleman to look into it personally and report back to him and to ensure that if Mr. Silenzi has not been brought up to date on the latest changes, he is brought up to date immediately.

DOMESTIC WORKERS

Mr. Gillies: I have a question for the Minister of Labour. The minister was quoted recently as saying that it was his intention in the near future to improve the law and regulations surrounding domestics in this province but that this would be pending the report of the minister's Task Force on Hours of Work and Overtime. I wonder whether the minister can tell the House when he anticipates that report coming in.

Hon. Mr. Wrye: The Donner task force has been working very hard, I believe for the last year, since its appointment. The last word I heard was that they expect to report some time this spring; I believe it will be the earlier part of the spring, in April or very early May. I should add

while I am on my feet that when last we spoke with Mr. Donner, they had completed their hearings. They had had hearings throughout the province. They had heard from a large number of business and labour groups. This task force, which as the honourable gentleman will know is made up of Mr. Donner plus two business representatives and two trade union representatives, is likely to come forward with a report that will represent a consensus approach and I find that very encouraging.

Mr. Gillies: Will the minister confirm to the House that he recently extended the mandate of the task force from this month, February, through to September? In view of this, can the minister assure the House that before the end of the next session we will see a package of reforms for domestics in this province and that we will not see them drifting off into September, October, or in fact into next year.

Hon. Mr. Wrye: I want to clarify for the honourable gentleman that the task force itself requested of the ministry that its mandate be expanded somewhat and that it do additional work that originally it had not intended to do in its general look at hours of work and overtime. We felt the work of the task force had been very comprehensive thus far. We felt that if we were reviewing all aspects, even these additional aspects which move into certain areas that are unregulated or lack specific regulation as of yet, this group, with the kind of breadth of knowledge it had, was certainly the right group to undertake this proposal.

The honourable gentleman leaves the impression that there will be no report from Mr. Donner and his group until September. That is wrong; that impression is incorrect. I expect Mr. Donner and his group to report on what I might call phase 1, which is the original mandate they had, this spring. Mr. Donner and his group intend to give us a further report on an additional mandate they have requested—

Mr. McClellan: Phase 1; that is real reform. I cannot tell you how fantastic that is.

Mr. Rae: What phase are you in?

Hon. Mr. Wrye: Perhaps that is not important to—

Mr. Speaker: Order. Interjections are out of order and should not be responded to.

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HYDRO RATES

M. Pouliot: J'aurais une question pour le ministre de l'Énergie.

The minister will be aware that with the recent 5.2 per cent increase in Hydro rates in northern Ontario—I am talking here about an average—the rural rate for small communities in the north is now some 15 per cent higher than the city rate. The northern rate is 20 per cent higher than the southern Ontario rate. People in northern Ontario are paying anywhere from 20 per cent to 35 per cent more for electricity than people in the sister provinces of Manitoba and Quebec. It is truly a deterrent to progress. It is getting very difficult to survive. What are the minister's plans to lessen the impact of the high cost of electricity in northern Ontario?

Hon. Mr. Kerrio: A couple of comments have to be made relating to the question about the rates in Manitoba and Quebec. When we talk about rates across Canada, it is a given that, because of their great increments of hydraulic power, their rates are cheaper in Quebec and Manitoba than in Ontario. Taking that as a given, it has been of course the long-standing position of governments to be able to deliver power across Ontario in as equitable a way as possible. The fact is, this government has now taken into account the situation in northern Ontario. We are going to have a northern committee examining power rates in northern Ontario. A number of implications have to be examined before we can take the kind of initiative I feel confident is of concern to the member.

Mr. Pouliot: Given the fact we are over capacity—we have more energy than is needed at present—this kind of answer is nothing short of a monumental fraud on the people of the north. What specific plans does the minister have to use Ontario Hydro as a tool of economic development in northern Ontario?

Hon. Mr. Kerrio: When we talk about the generation of power in this province, it is not a matter of having the kind of capacity—I think today's capacity charts show that we have available to us approximately 1,500 megawatts. In fact, we are taking power from Manitoba and Quebec at a rate of about 2,000 megawatts, and are trading about the same which is going out in the southern areas; so there is not available at all times the kind of capacity the member speaks of.

The other thing is that the generating capacity within Ontario—taking into account that generally one third is nuclear, one third is thermal and one third is hydraulic—cannot easily be channelled in a way that there is not a big increase in costs. The fact is there have been arguments for many moons about how we are going to feed those plants.

Mr. Pouliot: What are your plans?

Hon. Mr. Kerrio: The plans are the keeping with our northern initiatives—the member can belittle what this government is doing but there has been a great deal done for northern Ontario that has never been done before. We intend to include the use of electric power resource tool for northern Ontario.

RADON GAS

Mr. Sterling: I have a question for Minister of the Environment. According to Department of National Health and Welfare, radon gas seeping into homes built in uranium-rich areas causes five per cent of the lung cancer deaths in Canada per year. They estimate there are 8,000 homes where the radon level is above the safe level. Is the minister aware of the extent of this problem, and what is he doing to assist Ontarians in detecting the presence of this dangerous gas in their homes?

Hon. Mr. Bradley: I think the member raises an issue which has received some attention on an international basis as well as here, particularly. We work in conjunction, for instance with the Ministry of Labour, and particularly with the Ministry of Health, in attempting to evaluate the degree of risk that individuals can have from even background amounts, as they are referred to, of radon gas.

In addition, we work with federal authorities through the Department of National Health and Welfare and Environment Canada, to ensure wherever there are any problems of significant magnitude, they are addressed in an appropriate fashion. One area where we see it is not so much in normal homes, but in the Elliot Lake area where there is uranium mining. Radon tends to be a problem there. That is why we have an interministerial committee that deals with matters of that kind.

I am pleased the member has raised this issue. I will be pleased to get further information from him subsequent to this.

Mr. Sterling: Perhaps I can add some information. The minister may be aware that the Ottawa-Carleton area tends to show especially high readings of radon gas since it sits on uranium-rich rock formation. A Canadian company, Thomson and Nielsen Electronics Ltd. of Kanata, has developed a radon sniffer designed specifically for house monitoring. These units cost about \$2,000 each and are too expensive for an individual to buy to do his own test. Would the minister consider immediately supplying a radon sniffer to each municipality, so each municipality

could work together with its own people to test this very dangerous gas?

Hon. Mr. Bradley: My staff probably have, but perhaps the member would provide me with the name of the specific company involved. I certainly agree with him it would be extremely difficult for individuals to purchase anything at a cost of \$2,000, but there seems to be some sense, particularly in the municipalities where it is anticipated there would be a problem with radon gas, that we should have those municipalities do some testing in co-operation with our ministry or the Ministry of Health or the Ministry of Labour.

The member identifies an area and he knows it is somewhat of a natural background. We expect it in places such as Elliot Lake and Blind River where there have been uranium finds. As the member appropriately points out, however, there are other areas that have these background levels. If he would provide me with all the details, the name, address, postal code and telephone number of the company, I will be happy to look into it.

PETITION

PENSION FUNDS

Mrs. Grier: As I indicated in statements at the onset of today's sitting, I have a petition signed by 1,000 employees of Goodyear Canada Inc., which reads as follows:

'To the Honourable the Lieutenant Governor of the Legislative Assembly of Ontario:

'We, the undersigned, beg leave to petition the parliament of Ontario as follows:

'We are proposing that Bill 170, now at its second reading, be given immediate passage, as the impact of the provisions in this bill will provide important pension benefits to our families.'

Mr. Speaker: I found it very difficult to hear what was contained in that petition.

REPORTS BY COMMITTEES

STANDING COMMITTEE ON GENERAL GOVERNMENT

Mr. McCague from the standing committee on general government reported the following resolutions:

That supply in the following amounts and to defray the expenses of the Ministry of Natural Resources be granted to Her Majesty for the fiscal year ending March 31, 1987:

Ministry administration program, \$7,709,400; lands and waters program,

\$107,345,700; outdoor recreation program, \$68,071,600; resource products program, \$145,722,300; resource experience program, \$5,266,400.

That supply in the following supplementary amounts and to defray the expenses of the Ministry of Natural Resources be granted to Her Majesty for the fiscal year ending March 31, 1987:

Lands and waters program, \$12,000,000; lands and waters program, \$7,760,000; outdoor recreation program, \$7,100,000; resource products program, \$6,200,000; resource products program, \$3,000,000.

Mr. Speaker: There are many private conversations taking place. They may be necessary, but it is very difficult to hear anything else.

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STANDING COMMITTEE ON SOCIAL DEVELOPMENT

Mr. R. F. Johnston from the standing committee on social development reported the following resolutions:

That supply in the following amounts and to defray the expenses of the Ministry of Education be granted to Her Majesty for the fiscal year ending March 31, 1987:

Ministry administration program, \$34,050,400; education program, \$2,111,681,000; services to education program, \$1,555,300;

And that supply in the following supplementary amounts and to defray the expenses of the Ministry of Education be granted to Her Majesty for the fiscal year ending March 31, 1987:

Education program, \$2,300,000; education program, \$181,785,000.

INTRODUCTION OF BILLS

ARCHITECTS AMENDMENT ACT

Hon. Mr. Scott moved first reading of Bill 197, An Act to amend the Architects Act.

Motion agreed to.

Hon. Mr. Scott: Very briefly, the purpose of this bill is to deal with the fact that under the present Architects Act every member of the profession has to have insurance. It is not possible for many members of the profession to obtain insurance because insurers are unwilling to insure those who are young, those in individual practices or those who lack experience.

As a result, the architects have come forward with a scheme of self-insurance which they have

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it them to implement in view of requirements that the act stipulates. The objective is to either disentitle a portion of the architects in the practising their profession or to practise without any insurance. I am happy to recommend to the solution to a current practical problem.

RESIDENTIAL RENT REGULATION AMENDMENT ACT

Mr. Reville moved first reading of Bill 198, An Act to amend the Residential Rent Regulation Act.

Motion agreed to.

Mr. Reville: This is a very simple bill that has one operative clause that is very progressive. It ensures that every tenant who gets a rent increase notice in 1987 is treated the same in that the tenant pays the guideline until the rent review system generates a different number.

EQUALITY RIGHTS STATUTE LAW AMENDMENT AMENDMENT ACT

Hon. Mr. Scott moved first reading of Bill 199, An Act to amend the Equality Rights Statute Law Amendment Act.

Motion agreed to.

Hon. Mr. Scott: Last December, as part of Bill 7, an amendment to the Mental Health Act was passed. The implementation date, however, was deferred until April 1 of this year. The deferred amendment removed the authority of a psychiatric review board to order psychiatric treatment when a competent involuntary patient had refused consent or when the nearest relative of an incompetent involuntary patient had refused.

Today I am introducing an amendment to extend the implementation date of the deferred amendment from April 1, 1987, to June 1, 1987. This extension is now necessary because more time is required for a full debate on Bill 190, the bill to restore review board authority, which has been introduced by my colleague the Minister of Health (Mr. Elston).

I ask for the support and co-operation of all members in ensuring the speedy passage of this amendment.

ORDERS OF THE DAY

MINING TAX AMENDMENT ACT

Hon. Mr. Nixon moved second reading of Bill 189, An Act to amend the Mining Tax Act.

Hon. Mr. Nixon: This bill contains amendments to implement the mining tax reform proposals outlined in the budget of October 2, 1985. The amendments will simplify the mining tax system and streamline the administrative provisions of the act.

To achieve simplification, the bill contains the following reform elements. It replaces the present multiple rate tax bracket structure with a single tax rate of 20 per cent applicable to profit levels in excess of a basic level exemption. It doubles the basic profit exemption level from \$250,000 to \$500,000 and thereby reduces the tax burden for most mining operators. It establishes the operator, rather than the mine, as the fundamental unit of liability for taxable Mining profits from an operator's interest in one or more joint ventures or partnerships will be taxable.

It simplifies and clarifies the computation of taxable mining profits under the act by providing uniform computational rules and definitions as necessary. Duplication and inconsistencies between the act and the regulations will be eliminated. It adds certainty to the computation of the tax and the administration of the act by removing certain discretionary powers of the mine assessor. As a result, taxable mining profits will be objectively determined by rules within the act instead of by appraisals by the mine assessor.

To streamline the act, the administrative provisions of the Corporations Tax Act will be adopted for matters related to assessment, objections and appeals, collections, sanctions and powers pertaining to investigation. Specifically, this will be done by issuing initial assessments of operator returns at the time the returns are received, rather than after completion of audits; increasing the time frame for issuing reassessments from four years to six years from the date of initial assessment; increasing the time period for objecting to an assessment from 60 days to 180 days from the date of assessment—objection will be valid despite nonpayment of the assessment—applying garnishment and other common procedures, where appropriate, to collect unpaid tax; and removing broad automatic lien provisions presently contained in the act.

As stated in the budget of October 24, 1985, this reform legislation is to take effect for taxation years ending after March 31, 1986, and reflects the consultative input and general support of the mining industry. In that connection, I want to express my personal thanks to T. Patrick Reid, who is the administrator of the Ontario Mining Association and has given of his valuable

time from his very heavy schedule to see that the officials of the Ministry of Revenue and the Treasury were kept informed of the views of the mining community.

Naturally, we would take his recommendations with many others. We feel the consultative process, which has been a bit longer than I had hoped and expected, has been complete enough to gather the support of all the thoughtful and interested members, not only from northern Ontario but also across the province, where revenues from this resource are so important.

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While we look on this, of course, as a revenue bill, we also realize that the industry has to have a competitive stance vis-à-vis other provincial and state jurisdictions. We want to be sure, at the same time, that the crown in the right of Ontario is receiving its proper share of profits from the development of our mining resources.

We feel we have achieved a very nice balance in this connection, although not even I am prepared to say that this is perfection. It is quite possible that in the months and years that lie ahead there will be amendments that will improve the situation even further. In the years gone by, we have seen the revenues from our mining resources gradually reduced as world prices tumbled, and competition with other developments more readily brought into a state of production has changed our competitive stance.

I am glad to report, particularly with the improvement in the world price of gold, that this and certain other aspects of mining, but mostly gold mining, have been tremendously productive and continue to be so. It is in this connection that we look forward to at least maintaining our revenues from mining and hopefully improving them as the development of our mining resources goes forward with the support of the members of this House and the government of the province.

Mr. Foulds: I have two questions for the minister. First, in his statement he indicates that he hopes to maintain the revenues from the mining industry—

Hon. Mr. Nixon: An increase.

Mr. Foulds: An increase: is that because the production at Hemlo is going to be substantially more and therefore very rich rather than because of the tax measures the Treasurer has taken, which, in my view, lower the revenue he would otherwise get?

Second, he indicated that he had consulted widely with people other than the Ontario Mining Association and its executive director, Patrick

Reid, about this tax and where it should go. Can he tell me what other consultations with what groups and what their input was in developing the legislation?

Hon. Mr. Nixon: The amendments are designed to be revenue neutral, so that if the revenue increases it is because of increased mining activity.

The consultation has resulted in briefs from a variety of sources. Off the top of my head, I can think of a couple of investment houses that have prepared briefs that were submitted to me and, I would say, probably six or eight specifically well-drafted and considered briefs from organizations that deal with the mining community but are not the mining community—mostly investment houses and banks. I believe also the accountants gave me the benefit of their views.

Mr. McCague: With regard to the amendments of the Treasurer and Minister of Revenue, in general we will be supporting the bill, but we will be introducing certain amendments as we get into consideration in committee of the whole.

The Treasurer has said that this has been quite a long time coming. I guess that goes back into the years, but I presume he was referring to a long time coming since his budget.

We have all talked to Mr. Reid in the past few weeks. He must have got up the speed on it very quickly because, according to my colleague the member for Kenora (Mr. Bernier), he was moving very slowly on it as late as three weeks ago.

I understand the dilemma the Minister of Revenue may have, because I find it difficult to understand the bill in totality. Especially being a member from the southern part of Ontario, I am not as familiar as some with the whole mining picture.

I note the Treasurer takes quite a bit of comfort from the fact the exemption is being doubled from what it was previously. I understand the Ontario Mining Association supports the bill in principle, although it points out that, unfortunately, there are some who will have extra burdens because of this bill. When the Treasurer makes his remarks later, I would like to know who will be affected. I am not sure of that.

I presume the bill is well-conceived; I am not so sure all his tax measures as they apply to mining were well-conceived. I refer him to the tax on the gold coins. I wonder what the relevant sales of the gold coin are now that the Americans have introduced the golden eagle coin and it is being sold here. He might comment on that particular subject.

The mining association will point out to the Treasurer that over the past five years it has paid about \$236 million in mining tax. They are disturbed not only about that amount of money but also about the increase in the cost of doing business. The Workers' Compensation Board in that same period has increased by 66 per cent; unemployment insurance benefits by 178 per cent; Canada pension plan by 79 per cent; hydro—the Treasurer has a little control over this one—by 58 per cent and natural gas by 78 per cent.

With those increases and the amount of money they are paying, the Treasurer can understand they would have some concern about this 20 per cent raise. As I understand it, it is the highest rate in Canada. I would have hoped—and I will later introduce an amendment to reflect this—the Treasurer would have at least put the mining companies in Ontario in a competitive position.

With the \$500,000 exemption, it may be that some companies will not be paying more than would be the case in other provinces. However, I understand—and if I am wrong, I will be corrected—that we will be the highest if this bill passes. I hope the Treasurer would consider an amendment which would bring that down to reflect the realities in other provinces.

As I said, we will have amendments to this bill. I think the Treasurer is well aware of the areas, subsection 3(1) of the bill dealing with subsection 3(1) of the Mining Tax Act. We will introduce those at a later time, along with some changes to clause 3(7)(f) of the Mining Tax Act. I would like to thank the staff of the Ministry of Revenue for agreeing to draft those amendments when it looked as if we were going to be dealing with this bill earlier last week. Time was very short and notice was almost nil.

Perhaps the Treasurer will at some point answer the couple of questions I brought forward. Again, I indicate we will be supporting it. The mining association is quite anxious that this proceed, but it does point out that some companies will be affected adversely.

Hon. Mr. Nixon: It might be appropriate if I just answer a couple of the questions or comments made by the honourable member. He refers to the sale of gold coins, and he is correct that the sale has gone down. There are those who might be subjective enough to say that is because the retail sales tax of seven per cent was applied. It probably was correct. However, we should not associate that with a decrease in the sale of gold. Whatever amount of gold we can produce in our mines—and that amount is growing very rapidly—

is sold at the fluctuating world price and right now, thank God, it is at a substantial profit.

The fact that the sales tax was placed on the gold coins, I still say, was the appropriate thing to do. It has nothing whatsoever to do with the utilization of Ontario's gold, which has a ready market throughout the world.

1530

Mr. Harris: I am delighted to support the comments of my colleague the member for Dufferin-Simcoe (Mr. McCague). I think he was quite correct in pointing out—and I do not think he did imply the sale of gold was down with the imposition of the sales tax—that the sale of the Maple Leaf gold coin is down. It was pointed out to the Treasurer at the time, when he insisted and stubbornly went through with this proposal that affected our industry in Ontario.

Hon. Mr. Nixon: It was supported by the House.

Mr. Harris: It was not supported by this party, with the greatest respect.

What bothered us most at that time—and time has now proven us to have been correct—was that it was not a significant amount of revenue. I do not think it was the Treasurer's penchant for greedy revenue-grabbing, which is well known in many other areas, that prompted the attack. What really bothered us was that we are kowtowing to South Africa. The impetus and direction for that tax was because South Africa was objecting. When South Africa, of all countries, starts to dictate our taxation policies here in Ontario, that is cause for concern. That was one of the major concerns I had and one of the major concerns I expressed at that time.

Mr. Foulds: I have a question for the previous main speaker, the member for Dufferin-Simcoe. Does he feel that the taxation policy, as it affects the mining industry, actually encourages or discourages either exploration or the mining of the resource? The reason I ask that question is simply this: it seems to me that one has to explore and mine for a resource where that resource is. The determining factor is the geology of the province, not a marginal increase or decrease in taxation. Therefore, the purpose of taxation in this case should be revenue or economic rent from a resource that basically belongs to all the people of the province. I wonder if the member can comment on that.

The Deputy Speaker: You have a two-minute right of reply.

Mr. McCague: In fairness, I raised the issue of the gold coin in terms of this: that all the

Treasurer's budget initiatives were not well conceived. That is a little different. I was not talking about the effect on sales. As we all know, the proportion of Canadian or Ontario gold sold in the world has gone down as a percentage and the only way the mines have been able to keep competitive is with great amounts of money spent on all kinds of improvements: technology, robotics, etc. They have kept competitive in that respect.

I know the point the member for Port Arthur (Mr. Foulds) is attempting to raise. Certainly, one has to explore where one knows there are deposits. I do not think there would be much use in doing it in Brant-Oxford-Norfolk, or in Dufferin-Simcoe either. However, any sums of money that are spent in exploration, improved efficiency and environmental controls are to the benefit of all of us, and I believe that if that money were left with them they would do just that sort of thing. I think there are lots of things for them to do with their money.

As members know, our leader has recommended no mining tax. That would be a great incentive to an industry that, even though it is doing quite well compared to 1982, is still having a great deal of trouble in the world scene.

Mr. Foulds: I rise to speak on second reading of this bill and I do so with a sense of some anger and frustration. Let me say, first of all, what I am not angry and frustrated about. I am not angry or frustrated about the briefings I received from Treasury officials. Considering the time we had available to us, on Friday the Ministry of Revenue people and today the Treasury people have given me and our party as complete information as possible. It may not be adequate in terms of some of the philosophical concerns I have about the bill, but I do not fault them for their efforts in trying to get us information and getting it to us in order to be ready for the debate today.

However, I do not think the House itself, the government or the people of Ontario understand the importance of a bill such as this, because it is a bill that deals not merely with housekeeping, not merely with streamlining procedures, not merely with making a more efficient collection possible, but with a number of fundamental tax questions.

When we in my party consider a tax bill, we ask two questions right off the bat. First, is the tax change or the tax bill itself fair? Second, what effect will such a bill have on general revenues; that is, the revenues to the province and to the people of the province? When we vote in favour

of a taxation bill, the answer to the first question must be yes; that is, it must be fair. The answer to the second question is that the tax bill or tax change must not or should not adversely affect the revenues unless there is a good reason.

There is a third consideration we undertake when a tax bill is related to the resource industries. That third question is, does the tax or the tax change constitute a fair, economic rent to the people of Ontario, who are the owners of the resource?

Those are, in my view, the three touchstones which anybody considering a taxation matter must consider. I am afraid, although they have tried valiantly, that the fears I have raised with regard to this bill have not been allayed by the Treasurer's opening statement or by the briefings we received. That is why this party plans to vote against the bill on second reading and to vote against certain clauses in the bill.

Let us be fair at the outset. Some of the things that are accomplished by this bill are not all bad. We in this party applaud the changes that make the assessment, and especially the collection of taxes, fairer and more predictable. We agree with the shifting of the responsibility for collection from the Ministry of Natural Resources to the Ministry of Revenue.

It has been said that this bill, the system of taxation, is archaic; it was introduced in 1907 and had not been substantially changed until the days of John White, as Treasurer, in the early 1970s. That may be so and I understand that, but there are progressive ways in which one could increase the efficiency and the administration of the tax and still keep the one essential element that I saw as progressive in the old mining tax, and that is the graded scale, the percentage scale.

One of the things that disturbs us about this tax is that he has instituted a flat tax for what is generally thought of as a progressive tax regime, a graded tax scale dependent on profits. I know that this makes it administratively easier and that there are the arguments that we have closed off the loopholes they were able to claim previously, but surely if he were interested in developing this, he would have closed off the loopholes and maintained the graduated taxation level. I will get to the reasons for that in a few moments.

1540

Second, I want the Treasurer to know that we agree with the introduction of the policy of the flow-through shares in the mining sector that is supported by the Association of Mining Municipalities of Ontario. I believe the provisions of the bill are such that there cannot be a double claim,

that the claimant is identified and it can be restricted to the one claimant so that the individual investor or the operator can claim, but not both. We see no reason to doubt the judgement in this particular case.

However, I want to outline what I think is the most serious flaw in the Treasurer's position when it comes to mining and resource taxation and tax reform in the mining sector generally. It may not be within the particular scope of this bill but we are talking about the principle of mining tax and how and what it is used for. The Treasurer himself is very familiar with the problems of mining municipalities. Recently in this House, he made an announcement in which the government was giving a grant to the municipalities surrounding the gold fields at Hemlo.

An hon. member: Half an announcement.

Mr. Foulds: "Half an announcement," says my friend the member for Lake Nipigon (Mr. Pouliot), who knows that more intimately than I.

I put to the Treasurer that if this bill is being sold as tax reform, what we should do is get into tax reform in the mining sector, not merely in this bill but also in a series of areas and steps. As the Treasurer knows, and we use this as the most current and best example, the municipalities at Marathon, White River and Manitouwadge are not allowed any municipal taxation arising from the business done at Hemlo, but this is necessary because of the subsequent costs the municipalities face because of that development.

In other words, I believe it is time the minister who is both Treasurer and Minister of Revenue found a way so that those municipalities could tax the properties of the mining companies. Further, I believe it is important that they be allowed to tax the underground workings of a mine. The reason for that is simply to make it fair, because a mine is basically a factory below the ground and factories themselves have to pay taxes on a whole host of equipment and processes. It seems to me that the mining industry should face the same rules.

It also seems to me that there is an opportunity for the Treasurer to find a way to incorporate what are basically unorganized territories into the organization of the municipalities. In my view, we have to do it this way to get a fair taxation system because, if the municipalities are simply dependent on grants from the public Treasury, what that means is that the Treasury of the province is substituting to the municipalities revenue that is not being collected by anybody either at the municipal level or at the provincial

level. In other words, the provincial level is not collecting municipal taxes from the mines or their underground workers, and I for one believe it is about time that we started looking at that in a serious way.

If I can just draw a parallel to another resource industry, we do not exempt the pulp and paper companies—the Marathon pulp mill, for example—from municipal taxation. It pays its full shot of industrial municipal taxation in the municipality, and it pays it not merely on the land and the property; because its building is above ground, it pays it at a fairly heavy rate. All I am asking for is a system for the mining industry that is parallel to that of the other resource industry, the pulp and paper industry.

I want to say that this is not entirely the fault of the current Treasurer. I know this whole problem of municipal taxation has been avoided by every single previous Treasurer in my tenure in this House, from Mr. White on down to the current leader of the Conservative Party.

Hon. Mr. Nixon: Were you here when Mr. White introduced the last Mining Tax Act?

Mr. Foulds: Yes; 1973, was it not? Later on in the remarks I get to a comment about the age of the Treasurer, the age of certain taxation laws and so on.

I think, therefore, there has been an enormous failure on the part of this Treasurer and the current ministry to address the problems of taxation and fairness in taxation for the mining municipalities of this province. The reason I raise this is that the Treasurer himself talks very frequently about reforming the taxation system and I believe his intentions are genuine. I believe he genuinely prefers, like Tommy Douglas—and it may be the only thing they have in common—to get the money from where it is: those who can afford to pay. I think that is his philosophical framework.

However, he has introduced amendments to the Assessment Act twice and he is not introducing amendments to the Mining Tax Act and he has not taken steps to deal with the particular problem of taxation for mining municipalities. I very much fear, therefore, that he will be constantly dealing in piecemeal, patchwork taxation measures that do not deal with or solve the problem.

I think it is also fair to say that, aside from the problem of the mining municipalities, in the current situation the determining factor of whether the mining industry is good in base metals, good in gold or good in whatever you

commodity is, has relatively little to do with the taxation regime in a province.

As I indicated in my question to the member for Dufferin-Simcoe, I believe there are two determining factors in whether the mining industry is going or not. One is the international price of a commodity; and over that, we have relatively little control. There are some things we can do to tinker with it, but basically that is the one determining factor. The other is geology. You are not going to go exploring for gold in geological formations where gold has never appeared. You are not going to go exploring for gold, silver or zinc in the wheat fields of Saskatchewan.

1550

The argument that our tax regime has to be the same as all the other provinces has some dubious quality about it. My information, brief though it is, is that when it comes to mining, the taxation system in British Columbia is substantially different from that of either Ontario or Quebec. Ontario's and Quebec's are pretty parallel, but British Columbia's is substantially different. Geologically, those are the three provinces that are competing for the same kind of mining business.

The one area that is bright in the mining sector is the Hemlo area. The production at Hemlo is going to be enormous and the revenues from Hemlo are going to be enormous. Hemlo is simply the richest gold field in the world; not in Canada, not in North America, but in the world. The production costs are in some cases about \$100 an ounce and the selling price is about \$354 right now, give or take whatever the latest fluctuation is. It could be as high as \$400. That means the companies involved in the Hemlo gold fields are making about \$300 an ounce.

Interjection.

The Deputy Speaker: I might remind members that they should not make comments, especially when they are out of their seats.

Mr. Foulds: The member would be a worthy addition indeed to the front benches.

One of the things that troubles me about this bill is that in my estimation, it will mean there are forgone revenues from Hemlo. Under the old scale where we were taxing at 15 per cent, 20 per cent, 25 per cent or 30 per cent, Hemlo would be paying at the high end of the scale. Because the government has introduced a flat tax, they will be paying at 20 per cent. They will be paying much less than they would have under the old regime. We are forgoing one heck of a lot of revenue, not

from the marginal mines but from the richest gold field in the world.

That gets me to another point. This bill appears to increase taxation on the marginal mines or operators. I know there is an argument that we are now moving to operator instead of mine, and because the exemption has been lifted, it is revenue neutral, which is a very nice phrase. It seems to me if you have an operator of four or five marginal mines, say in the Timmins area or northeastern Ontario, he will be paying more taxes, and the structure of the bill is such that his rate would go up from 15 per cent to 20 per cent.

The little guy or the marginal operator will be paying more taxes and the rich guy at Hemlo will be paying less. That seems to be administratively easy and convenient, but simply nuts when it comes to a fair taxation scheme. In my estimation, we will be forgoing revenues of approximately \$20 million to \$30 million. We may even be losing that amount in absolute terms. I know there is a blip on the increase of the mining tax because of the increased efficiency of the collection, but the other day in a briefing that our caucus had, Inco officials indicated that the mining industry paid, on average, about \$50 million a year in mining taxes. That does not seem to me to be a heck of a lot, actually, but it is \$50 million a year.

The best estimate I have heard is that this bill will get us about \$25 million. All of that cannot be due to a downturn in the mining economy because the mining economy this year, last year and the previous year has been about the same. Nickel is a mess, but nickel was a mess last year. It would appear to me that the minister is forgoing revenues because he has changed to the flat scale and he is forgoing some revenue because he has changed from the mine to the operator.

I am not sure of this, but it could very well be that changing to the operator allows the mining sector a large hiding place in which to buy into and acquire unprofitable companies to use as tax dodges. The interesting thing to me is that, in the whole paper-chase economy that a lot of people have talked about, we have seen people gobbling up each other in the retail sector and in the manufacturing sector, but we have not seen that happen in the resource sector. It would appear to me that the changes that are coming in in this bill may very well start that phenomenon in the mining sector.

I think that is a bad thing, because if we are going to have investment, we should have the investments into new production, not into

acquiring existing production. I have not heard any arguments put forward that this taxation measure actually encourages new production.

Before giving away a possible \$20 million, \$25 million or \$30 million in forgone revenues, I would ask as Treasurer—and I would certainly ask as a Treasury critic—to whom I was giving it away and why. I would ask, do our taxes have to be the same as Quebec and British Columbia? Even if they are not, should they not be designed to benefit the people of Ontario?

I think there has been a tax giveaway here. Several weeks ago, I asked the Treasurer a question in relation to insurance companies that did not pay corporate income tax. I subsequently found out that they were so ill informed that they actually were paying income tax when they did not think they were.

Hon. Mr. Nixon: They pay a premium tax as well.

Mr. Foulds: They pay premium tax.

That is not unfair, because a single mother with two kids who pays personal income tax also pays Ontario health insurance plan premiums, which is a tax, and sales tax, which is a tax. There are all kinds of double taxation for the individual, for which there are no exemptions, claims and loopholes that the corporations are allowed. I am just a little tired of hearing corporations argue that they get double taxation and not looking at all of the sectors, such as individuals who pay double taxation.

We managed to do a little bit of research with regard to the production costs of Noranda, Teck-Corona and Lac Minerals at Hemlo. We also took the current estimated reserves in the Hemlo field. As the Treasurer knows, as the years progress, the estimated reserves in a mine tend to stay the same even though they have mined out, because they can see that much more ore down the road. We estimated that even if the cost of production of gold per ounce is \$200—not the \$100 that it is in some of the richer places but \$200 per ounce on average—and the net income is around \$400 per ounce, we would be losing from the Hemlo fields alone somewhere around \$500 million in revenue from this bill alone over the life of that mine. That does not seem to be a good thing.

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If the Treasurer is so committed to getting this bill through the House because of his commitments to T. Patrick Reid and the Ontario Mining Association and others, and because it was part of his fall budget of 1985, and if he is so committed to making sure that it is in place and

retroactive—about which I have some concerns and will get into when we go clause-by-clause—I ask him to consider serious things immediately for his coming budget in the spring with regard to this taxation.

One, in terms of the flat tax, I urge him to take a serious look at doing all the other reforms in the bill but reintroducing the graduated scale. If his officials find that too difficult and administration too difficult, he should look seriously at raising that flat tax rate from 20 per cent to about 22 per cent. Three, as a third option because of the richness of Hemlo, I also ask him to consider very seriously taking a look at the possibility of devising a special five per cent public-smelter royalty on the production of gold bars that are site-specific to the richness of the mine. I estimate that if there were a five per cent public-smelter royalty on the gold bars produced from Hemlo ore, it would yield approximately \$10 million annually once full production is reached.

I am asking the minister to do what we do in other taxation areas: look at where the revenue is justified and at those who can afford to pay. Look at the marginal producers in northeastern Ontario who cannot afford to pay a five per cent special smelter royalty, but the producers at Hemlo can. It may be something that both Treasury and Revenue could look at productively.

I would like to speak much longer on this but I will wind up in the next 10 or 15 minutes. I want to say a couple of things.

Mr. Barlow: Do not rush.

Mr. Foulds: I do not intend to rush. It happens to be a fairly serious taxation matter. It disturbs me that we deal with taxation matters in a relatively ill-informed manner in this House. I do not say that in any pejorative sense; it is the case. We deal with taxation matters that fundamentally affect our economy, and we deal with taxation matters that affect the revenue and therefore the wellbeing of the province in not a very productive and creative way. I am hoping that when I am gone from this place and while I am in this place, the standing committee on finance and economic affairs will actually do some work along those lines.

I know members are busy with many other things, their own commitments to their constituencies, their own issues and the other commitments, but when I see a bill of this importance in this Legislature it does sadden me somewhat. I look around and see very few of my colleagues prepared to give attention to this matter, very few having had the time to consider the matter carefully and, in a sense, our rushing through

bill. I do not intend to filibuster it; I do not intend to block its advance. I do intend to vote against it.

When I take a look at the people who made representations to the Treasurer, and he indicated them in response to my question, I see the vested interests—and I do not use the word pejoratively either: the banking establishment, the mining establishment and the investment houses, what David Lewis called the corporate welfare bums. They may not be bums in every case but they are taking advantage of every tax break and every tax measure that they can get, and any advice that they can give will be advice that benefits them. As he more aptly said, they unfortunately speak with louder voices than the ordinary man and woman in our society.

When we pass a tax bill like this, I worry that we have apparently not had the representations of the mining municipalities of the province. We have not had the representations of the municipal councils of those mining municipalities that are or could be affected by the bill. We have not had representations from the United Steelworkers or any of the other labour organizations that may represent the miners in the industry.

I consider tax bills very important and the matter that they raise very important. I consider that the one element of even a mixed economy like ours where we could introduce fairness into taxation, into economic matters or into revenue, is taxation matters. We do not often do it and we are not doing it particularly with this bill, as far as I can see.

I have a couple of other suggestions that I would like to make with regard to the mining sector. If the House will bear with me for a moment, I will find my series of notes on that particular question.

As we all know, when it comes to mining taxation, one of the things that we all have to keep in mind and very seldom do, even though it is a cliché and a truism, is that the day the mine opens is also the first day in the death of that mine. In the case of the Sudbury basin we have been very lucky because that find has been not merely rich but extensive. We have been mining it for more than 60 years; it is still being mined and mined productively. The problem in the Sudbury basin and with nickel is not the ore body itself but the price of the international commodity.

The small mines—and the history of Ontario's north is littered with them—come and go fairly quickly. Shebandowan closed down after about 15 years. Depending on the market, it may reopen; it is a very rich vein—it may be the richest

vein in Canada—but the economics are such, because of transportation and because of the smallness of it, that at this point it is not economic or profitable to mine in Inco's terms.

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Gold mines have opened—we have had boom and bust—and closed. It would appear that Hemlo is rich. Everyone is happy about it. Everyone is overjoyed about it. But even there we can see that somewhere down the road it will no longer exist. From the historical evidence and from the evidence of this bill, it seems to me that mining will continue to be a boom-and-bust industry in our province. That means that mining, aside from the jobs that it provides, results in few long-term benefits for the northern economy.

This government is going to have to act as the agent of the people. If the government wants to bring the northern economy from a hinterland resource economy to a mature economy by acting as the agent of the people, it is going to have to have the courage of direct investment. It is going to have to have the courage to control capital and its investments and primarily, when it comes to taxation as a matter of policy, it is going to have to get a fair economic rent from its nonrenewable resources and it is going to have to use the money it gets from its nonrenewable resources to diversify northern Ontario's economy.

The people of northern Ontario, and today I am talking particularly about the people of mining communities, have invested their life savings, their spirit, their talent and their sweat in their homes and in their communities. They are entitled to more protection, more co-operation and more leadership than they have received from their governments in the past. They are entitled to it in the future and they are entitled to it at the present time.

It is fair to say that the major corporations, both in mining and other resource sectors, make their decisions not based on the welfare of the communities involved but on their shareholders. That is their job. That is the job of a corporation. All I am arguing is that there has to be a balance to that, and the only balance we can see for that in our present society is government. I am urging the Treasurer to pass on to his friend the Premier (Mr. Peterson), who is also the Minister of Northern Development and Mines, that they bring about two steps:

1. They genuinely do, in spite of all the Treasurer's reservations, develop the northern Ontario diversification fund. I will get back to that in a moment.

Hon. Mr. Nixon: Where did they get that name from?

Mr. Foulds: I gave it to it. If the Treasurer wants to call it the northern Ontario tomorrow fund, if he wants to call it the northern Ontario heritage fund or if he wants to call it the Harry Nixon memorial diversification for the north fund, I will accept it. Whatever name, I do not mind, but I think it is really important that that be based at least partially on the taxation of the resources; not a surtax, but a proportion of the taxes that are obtained from the natural resources of the area.

One of the things that worry me about this bill is that if we use the taxation from the resource industries as part of the base for our northern Ontario tomorrow development diversification fund, the base will be diminished, and therefore the percentage funnelled into the development heritage fund will be lessened.

2. Because the Treasurer is a very powerful man within the cabinet—he shakes his head negatively but in fact he is, and I am sure he has the ear of the Premier in many matters—I urge him and his colleagues to ensure that when it comes to resource-based communities, they accept a recommendation that not only was put forward by this party but also is used in many other parts of the world and was recommended by the Advisory Committee on Resource Dependent Communities in Northern Ontario, commonly known as the Rosehart report, that there be an agreement signed between the major employer, the trade union, the community and the provincial government about the planning of the industry and the growth and diversification of that community; not merely a social contract, but a more binding document than that.

The reason that would be an important and useful tool is that it would give all parties that are involved access to the information that is necessary to plan for employment. It would not only help the employers in getting the manpower—I suppose I should say “personpower”—for their operations, but it would also give the people who are involved an idea of where the development in their community is going. It would give them and the municipal politicians an idea of what their tax base is, not only now but also in the foreseeable future. There is no reason in the world we cannot do that in this day and age.

The tax we have before us has some merit. It does, it appears to me, improve the collection and the administration, but it does not deserve our support. It appears to give away \$25 million

to the industry, which we do not give to single moms with two kids who pay income tax. It appears to be unfair, in that it does away with the graduated scale, and it gets no more benefit in terms of job creation, exploration incentive or revenue for the people of the province. Therefore, I find myself opposed to the bill.

Hon. Mr. Nixon: I would like to say briefly that the honourable member's contribution to the debate, as usual, is stimulating and useful. I regret he has indicated that he and his colleague will not be able to support the bill in principle.

I think he is being overly enthusiastic when he thinks the bill should solve the problem involved with assessment, municipal boundaries and general northern development. We might as well face the fact that this is essentially a revenue bill. In my opening comments on second reading, I acknowledged that and said that at the same time, we did not want it to be such a high-pressure revenue bill that the mining industry would be sapped of any incentives that are gradually returning as new finds are made and prices stop depreciating. I am not sure even that is true, as nickel and base-metal prices continue to sag.

The complaints that have come from the honourable member that we should be dealing with the concepts of the underground factory and providing adequate municipal support for Manitouwadge, White River and Marathon are interesting, but I cannot deal with them in this bill. Even the concept he ended up with, that there ought to be an agreement or an understanding among the developers, the government, labour unions and all others involved as to the future of the development of a significant find, what is the economic rent and what sort of support will be given on a social basis, is interesting but beyond the scope of this bill.

I return, however, to the instructions the officials were given by me on a policy matter; that is, that it be designed to be revenue-neutral. What is revenue-neutral when the discussions are evolving may not in fact be by the time it is passed, but the honourable member points out that these bills are always subject to amendment.

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Mr. Foulds: I want to get angry. The Treasurer says it is not within the scope of this bill to solve the problems that I raise. When is it? How long do we have to wait for legislation to meet the problems that I raise? That is part of the Treasurer's responsibility. This is a budget bill. It is a year and a half late, but it is a budget bill. Even within the terms of the bill itself, it does not

meet the expectations that one has a legitimate right to expect.

If it is to be revenue-neutral, and the picture has changed by the time he brings the bill in and it is no longer revenue-neutral, it seems to me one should bloody well withdraw it.

Not only is the bill not revenue-neutral but it also, in my view, encourages the big guys. If we want more exploration—even Hemlo, which is now owned by the big guys, was not discovered by the big guys; it was discovered by medium and small guys—there is nothing in this bill that encourages the medium and small guys.

I find the Treasurer's comments, although well intentioned, are basically off base. He has failed in his responsibilities as Treasurer in terms of his budgetary responsibilities, and he has failed with regard to this particular bill.

Mr. Bernier: I rise to participate in the debate on the amendments to the Mining Tax Act. As I sat here listening to the various members give forth with their great knowledge and great experience in this particular field, I could not help but think of the late James Renwick of the New Democratic Party and his ability to expound at great length about the Mining Tax Act and the implications it would have. He did it very eloquently. I doubt if there is a member in the House who is as able and as capable as the late Jim Renwick was to deal with these very complicated tax acts that we have before us today, and the Treasurer has admitted that.

He has admitted that, because, on the one hand, he said it would be a slight increase and then, on the other, he said it would be revenue-neutral. It is a little confusing, and I think it is confusing in some of our minds too. We are not tax experts, but we do have some feeling with respect to any increase to the mining tax.

I think the Treasurer will agree with me that the 20 per cent flat tax is an arbitrary figure. He could take it out of the air; there is no question about that. As my colleague has pointed out, it is the highest flat tax in Canada to date. I hope that in the course of the examination of this bill, he will accept the amendment of this party that would put us on a little better keel with the rest of the provinces in Canada.

I want to point out to the Treasurer, particularly as it relates to exploration, that exploration is where it all begins. We would not have a Hemlo, a Detour Lake or any of those mines in northern Ontario. When we think that there are something like 10,000 ore discoveries, or discoveries of some mineral indication, that 1,000 are re-

examined as a potential and that possibly one out of 10,000 may come into the development stage, there is a tremendous amount of risk and gamble, and it starts at the exploration stage.

There has to be that incentive to which the Treasurer alluded to for a brief moment. There has to be that incentive because one spends so much time and effort that, at the end of the rainbow, one has to know that if one strikes it rich, one strikes it rich. That is the gamble and that is what we should always protect. It has been there for years, and I think it should be increased, because if you do not have that entrepreneurial spirit, that exploration desire, we will not get the mines that we have and should have in northern Ontario.

I am one of those who strongly believe there are many more yet to be discovered. We have seen Detour Lake; we have seen Hemlo. I think there is much more up there that can be discovered; so I say to the Treasurer to use everything in his power to encourage those prospectors and those mining companies, and the amendments my colleague will introduce will move in that direction and give the exploration people the little incentive that is really needed in the mining field.

The Treasurer touched on a couple of points with respect to gold mining. I would point out to him that in base metals I think he understands where we are coming from; we are at an all-time low. But I want to point out to him that we are active in the mining business in northern Ontario because of new techniques and new mining methods. Make no bones about it: When you look at the number of nickel producers in the world today compared to the number 20 or 30 years ago, it is astonishing what has happened out there, the competitiveness. The monopoly we had for so long is gone; there is just no question about it. But I think the Canadian mining industry is to be complimented for its moves in new, modern, mining technology, although it does reduce the amount of employment—there is no question about that—as we have seen happen in the Sudbury basin.

But I want to get on to the new mining technology and new mining methods. I would hope the Treasurer would assure us that in this bill, the assistance given by the mining companies today to those social amenities in communities like Marathon, Manitouwadge, Balmertown or Red Lake, where the mining company actually contributes to a curling rink, to a community hall, to other public recreational facilities, will be exempt. I think there is something in the bill

which allows that to be exempt from taxation and as a write-off. It was a problem a few years ago. We tried to get the Treasurer of the day to make a few changes. I think the member for Muskoka (Mr. F. S. Miller) was the Treasurer at the time. I hope he will address that.

I want to follow up on the point that my colleague the member for Port Arthur made with respect to the assistance to the communities and point out what we are seeing across northern Ontario. I look at Ignace today; we tried some years ago to extend the municipal boundaries some 50 miles up the Pickle Lake road, for the township of Ignace to pick up the mining facilities at Mattabi.

The Ontario Municipal Board in its wisdom—to which I objected strenuously and with which I disagreed—did not allow Ignace to reach out and grab Mattabi Mines for taxes. We were in office at the time, and I expressed my displeasure with that particular decision. Nevertheless, it was made, but I think it is wrong. Mattabi, although there was a small ore body, had been operating there for 10 or 12 years. They see the end coming in the next two years or year and a half, where there would be no mining done at all in the Mattabi area.

It will leave Ignace, of course, dependent on forestry and tourism, as it was for so many years. I will admit that the mining company is being very responsible as a corporation by looking after the homes in Mattabi for a period of time. Nevertheless, I think that mine should have contributed much more than it did to the town of Ignace, which was its dormitory; its people worked there. When the company came around with a grant for the recreational facilities, there was a big media conference, all kinds of hype that Mattabi was donating \$75,000 to the new recreation centre in Ignace. Then in the last breath it said, "Over a three-year period." Big deal: \$25,000 a year for three years.

It is that kind of thing that has really caused the problem in northern Ontario. The municipalities, in my opinion—I think the member for Port Arthur has expressed it very well—have not really got their share. I know the Treasurer has said already that this bill does not touch the municipal boundaries or the revenues they will get back, but let us look at the towns of Red Lake, Cochenour and Balmertown. In the last 50 years, over \$500 million has come out of that mining camp in direct taxes to this province—\$500 million—and last week we had the chairman of the Red Lake separate school board here on bended knee

looking for \$1-million-odd to build a new separate school in Red Lake.

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It is hard to balance that when there is so much revenue coming to southern Ontario from the resources of northern Ontario and they have to come here cap in hand and beg for the basics of a modern community, the very simple basics. It is tough to explain to the people back home when they see all those taxation dollars flowing out of their area into what they think is southern Ontario and not coming back in a fair share.

I hope the Treasurer will look at that aspect. We have seen what happened at Ignace, Marathon, Manitouwadge and Hemlo, and what happened at Pickle Lake with respect to the Umex mine. All these communities had to be assisted directly, with no direct revenue and no real benefit—nothing they could point to, to show that they have a modern community with all the amenities that are taken for granted in southern Ontario—and there is a mine there that is spewing out millions of taxation dollars to the province as a whole.

I hope the minister will give careful consideration and support to the amendments my colleague will be introducing later today. I think they go in the right direction. They will assist the mining industry one step further, because we are in a very competitive world with regard to minerals. While we have to go in this direction, I think the route my leader has suggested—that maybe the time has come to wipe out mining taxes totally and give a real boost to northern Ontario—is one that should be examined very carefully by the Revenue people, because as the Treasurer admits, it is not a big revenue-bearing item and it would be an incentive for more exploration and more development of the mineral industry in northern Ontario.

Mr. Pouliot: The member for Kenora (Mr. Bernier) is so right. I remember very vividly, as if it were yesterday, when I was the reeve of our small township in Manitouwadge, that time and time again, after being granted the pleasure of an audience, I had the opportunity to go literally cap in hand to the member for Kenora, who was then a minister, to ask him that justice be done for the people of the north when we were faced with all that wealth. It is not a problem that arose yesterday. In fairness to the Treasurer, he has inherited a can of worms and a distortion of the highest order. It has been plaguing the north for years.

Take the situation of Hemlo; starting in the spring, Lac Minerals alone will receive \$1

million per day. That is one of three mines; the largest, mind you, but one of three mines. In terms of essential services—sewers and water, playgrounds, recreational facilities—not five cents will go back to the municipality.

I have yet to meet one person so far who has not agreed that it is an injustice and that it should be rectified. The Treasurer, not with this present legislation but certainly when he passes or proposes the present amendments, has to keep in mind that we are not going to come back year after year cap in hand to ask for what is justly ours. Somewhere along the line a philosophy, an approach, a style that is different from what we have been experiencing, will become the order of the day so that the people of the north will finally stop begging and get some of the money that is theirs in the first place.

Hon. Mr. Nixon: I am going to make a comment about the speech of the member for Kenora. He points out correctly that the rate proposed here at 20 per cent, the flat rate, is the highest in Canada. He should also remember that our base has been substantially adjusted. We are very pleased to exempt the first half-million dollars of mining profit, which means that the small or beginning operators will have a chance to get established and put some money in the bank for payments and expansion before we hit them with the 20 per cent tax.

It is interesting that the spokesman for the Progressive Conservative opposition indicated that we are attempting to extract too much money from the mining economy, while the New Democratic Party believes that natural resources should be nationalized. They are shaking their heads. The last thing I want to do is stimulate a philosophical debate, but I have heard a lot of NDP and even CCF speeches here, and one of their basic tenets is nationalization of natural resources. I am delighted and interested—not so delighted—to see the major spokesmen from the north shake their heads, renounce that and reject it out of hand.

While the official opposition thinks we are taking too much money, the New Democratic opposition says we are not taking enough. I say to you, Mr. Speaker—and I have a feeling you would agree with me if you could speak—the liberals have it just about right.

Mr. Foulds: In response to the member for Kenora's speech and the stimulating comments that have intervened, let me hasten to point out that one can hardly enter into a philosophical discussion in a two-minute time limit. However, let me make a number of points.

We in this party do believe in public ownership in a number of areas. We see nothing wrong with that in certain circumstances. For example, public ownership has worked remarkably effectively in one mining sector in Saskatchewan, the potash industry. It worked effectively in the pulp and paper industry in British Columbia. The government there was able to keep a pulp and paper mill in Ocean Falls and that whole town and its infrastructure going for a number of years at a marginal profit—a profit nevertheless—whereas the private sector would have abandoned that town and its jobs 15 years previously.

Let me point out that we do not back away from public ownership. We do not see it as a panacea for all areas at all times, but it has a legitimate place in a mixed economy.

Number two—one can say a remarkable amount in two minutes—I remember the member for Kenora pointing out the problems of Ignace, particularly because that mine was so far away from the community. Rightly, there was a planning decision made not to establish a new community. That is a problem this government will have to wrestle with. In this one instance, I agree with the member for Kenora. I regret that his government was not able to solve it. We have to make the mines part of the municipality that has to provide services for the people who work those mines.

Mr. Bernier: I appreciate the Treasurer's generosity in moving to the 20 per cent flat tax and decreasing the base level to \$250,000. It is a step in the right direction. To be a little more magnanimous, the Treasurer should reduce that to 18 per cent, which would make it a major step forward.

I want to remind the member for Lake Nipigon (Mr. Pouliot) that he has a very short memory. I recall vividly his visits to my office when I was a member of the government and I recall assisting that community with a number of new and exciting projects we brought in right across northern Ontario.

An hon. member: The airport.

Mr. Bernier: The airport, the roads and a number of issues that are still there today.

I remind the member for Lake Nipigon that his problems really began about two years ago when the new administration took over. Albeit they had the Hemlo development on their doorstep, the problems of Manitouwadge and Marathon have not been answered to my satisfaction by this administration. I hope they will be.

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I have a brief comment with respect to the Treasurer's off-the-cuff remark about a northern heritage fund.

Hon. Mr. Nixon: I have not mentioned it.

Mr. Bernier: Well, it has been in our press across northern Ontario that he whispered to somebody in the press gallery that this is what may be in the budget or that he is thinking about it.

I remind and alert the Treasurer to the fact that if that is in the back of his mind—and I have said it publicly because I know my socialist friends have been pushing this for a number of years and I think there may be a need now that we have so many single-industry communities—and we set up a northern Ontario heritage fund, let us not make the mistake of taxing the companies in the resource industries in northern Ontario for that heritage fund because it is going to put them right out of the competitiveness that they require with respect to world requirements.

Mr. Harris: I will not speak very long, but I do want to make a few comments and indicate that my two colleagues the member for Dufferin-Simcoe and the member for Kenora have outlined some of our party's concerns.

I want to say a couple of things. One, we have before us a bill that is retroactive to the year-end of 1986. Presumably, it is retroactive to 1985 for a large part of a company's operating time. I think that is abominable, if that is a fair word to use. The mining industry has been hanging for this period of time, waiting for this legislation to come forward.

Quite frankly, the bill is a little disappointing. It is not a significant change. It is a little bit of fiddling here and there. While I believe it is supportable on the whole, with a number of amendments that our party will be proposing, I am sure it is very disappointing to many people that this bill has been some two years in the making and then comes forward and has to be made retroactive for that length of time.

It has also left mining companies in the lurch because they look at other experiences and other commitments that have been made by this government—in election campaigns, in written agreements with others, in verbal pronouncements, in speeches from the throne and what not—and they see that it does not live up to all the commitments and promises it makes.

There has been a good deal of uncertainty for that time among those in the mining community as to what rules they have been operating under, essentially and—let us face it—for at least a year and certainly in some cases beyond a year,

depending on when their year ends. I want to indicate, first, that the position they have put in and the amount of time for what ought to have been a difficult bill to be drafted brought forward is disgraceful.

Certainly, it would not have been difficult to draft if Mr. Stone had been asked to draft it. I am quite certain that he could have knocked that bill in an afternoon. What really has been lacking has been direction from the minister and the government in basic policy decisions, and what has come forward after that two-year delay is disappointing.

The Treasurer indicated that this bill is revenue-neutral or was intended to be revenue-neutral. With various fluctuations, I suppose it could be a little one way or the other, but I want to talk briefly about his premise that it be revenue-neutral. In effect, that means we are going from a graduated tax of 15 per cent to 30 per cent as revenue increases. The companies that would have been in that 20 to 30 per cent—four or five of them, the biggies—will in fact pay less. They will be reduced, should have been in the very fortunate position of paying that amount of tax. We do not have many of those companies in Ontario.

Many small mining companies will in fact pay more, because they will go from 15 per cent to whatever the graduation is, to 20 per cent. If it is revenue-neutral and the biggies are going to pay less, then obviously there is a huge number of smaller companies that will have to pay more. Otherwise, it is not revenue-neutral. That bothers me a bit.

Of course, that can be easily corrected by a simple amendment that would allow those smaller companies that are struggling to try to eke out a meagre profit to have the benefit of the lesser rate of 15 per cent. Our party will be moving that amendment to allow that, so the tax will stay at 15 per cent, for the sake of most of the companies in Ontario, which we surely should be helping and which surely need help, and is capped at whatever the final figure ends up to be.

After we speak and move the amendments, I will speak to them, albeit the Treasurer may not agree with us, I am hopeful the New Democratic Party when it is all said and done, will agree there are many advantages in these very difficult competitive times for mining in Ontario not to pay any taxes at all. Obviously, if that amendment carries, we will not have to move the 15 per cent amendment up to 20 per cent. However, should that amendment lose, we will also be looking, at the very minimum, at not putting

Ontario mining companies at a competitive disadvantage with our neighbours. At the very most, if we are coming in with a flat tax, we should be looking at 18 per cent, as I understand it is in Quebec.

Therefore, we will have a series of amendments, depending on our level of success in convincing members of this Legislature that in this case, for the small amount of dollars we are talking about in the Treasurer's overall scheme of things at this period in our history, no tax at all would be appropriate.

I indicated that I hope the New Democratic Party might consider support for those types of amendments. I say that because many of these mines, in fact most of them, are in northern Ontario. Northern Ontario, as the members know, has not participated in the booming economic activity that southern Ontario has enjoyed over these past two or three years.

Mr. Haggerty: Not all of southern Ontario. The member should not leave it as all of southern Ontario; there are other areas that are hurt as well.

Mr. Harris: Well, support our amendment. We have no difficulty with those areas of southern Ontario that are having difficulty participating in the recovery. If they had an effective member, he would speak up and say so, and maybe something would get done. Perhaps that is part of their problem.

Let me say, northern Ontario has not benefited from this economic recovery. We are looking at forestry and mining and those related industries as our main hope for meaningful jobs. The member for Cochrane North (Mr. Fontaine), I know, is touting across the north that we should set our sights differently in northern Ontario than in southern Ontario. I read press clippings from the member for Cochrane North, which said:

"Forget the \$25- or \$30-an-hour jobs which are available in southern Ontario and in the heart of manufacturing, forget the wages you used to get in the mining sector, forget the good-paying jobs in the forestry sector and start setting your sights on \$6- and \$7-an-hour jobs. That should be good enough for northern Ontario."

1650

It is not good enough for northern Ontario. It is a disgrace to have a member of the government, purportedly representing the government albeit not in a ministerial capacity any more, touring the north and telling the workers of northern Ontario, "Forget the good-paying jobs in northern Ontario; set your sights at \$6 or \$7 an hour."

I say that because I think this is an opportunity to help encourage more mining activity in northern Ontario, to help encourage more exploration and to send a signal that says: "Yes, you have problems in the north. Yes, we are really not sure what the heck we can do about them."

As far as diversified industry is concerned, it is very difficult to go to a company and say: "No, you cannot locate your plant in Niagara Falls, Toronto or Mississauga. Sorry, bud. In fact, if you want to do business with Ontario, you have to go to Wawa, Sault Ste. Marie or Sudbury." We know the government cannot do that. However, we can provide incentives. We can be persuasive, and all governments do that.

Here is a resource that is sitting there in northern Ontario. Through this bill, we are perpetuating a problem that is growing and has grown in the last two or three years, and that is the competitiveness of our northern mines versus those in other jurisdictions.

We have an opportunity through this to provide meaningful, good-paying jobs in northern Ontario. The government seems to be insensitive to really helping the north other than through pronouncements, statements and glorious packages of information it sends out, but nothing in the way of action. That is why I say to my colleagues in the New Democratic Party that this is an opportunity not to give more money to the mining companies but to give more money to the employees; to have more employees involved in the mining sector; to have them in a position where they can go to the mining companies and negotiate for more employees; to maintain job security and to get a bigger piece of the pie. If the government grabs a piece of the pie, there is nothing left for the employees.

I believe the proposals we are putting forward make sense for the workers and the people who live in northern Ontario. I would be delighted if all members supported the amendments we put forward. If I can convince one or the other, I will continue to do so.

As has been indicated by others, and I share in that view, our party will support the bill. We will be voting for this bill in principle on second reading. We think there are many aspects of it that do tidy up a number of areas, and we are pleased to support those. We will be placing amendments and fighting vigorously, not on behalf of the mining companies but on behalf of jobs in northern Ontario; not jobs that pay \$6 and \$7 an hour, but meaningful jobs for our people in the north.

Hon. Mr. Nixon: I will respond briefly. I think the criticisms that have come from both sides of the House about the time frame of this bill deserve some response.

The information and assistance that I got from people in the mining industry, after the government changed and when we were leading up to our first budget, were very definitely that under the jurisdiction of the previous government, the Mining Act and its administration had fallen into a situation where it was unsatisfactory. Because of my responsible position in government, I use those words rather than the ones that come to mind, as I think back to what I would have said if I were in opposition. It was a mess; probably I can leave it at that. The mining people, and I think they were supported by unions and others, felt the administration was bad and the tax rates were not supportive of the kind of development in the north that the mines had expected would take place.

It seemed to be a relatively easy thing for me to indicate to those people that we would give serious consideration in the first budget to announcing that we were going to undertake the kinds of changes, not that they were specifically dictating—far from it—but that they expected in an improvement of the administration—I appreciate the fact the member for Port Arthur has acknowledged there is every indication that improvement is at least possible—and also that the rates would be adjusted so they would be simpler for entrepreneurs and investors to understand, and also to recognize the fact that in this business, and I am prepared to say at least as much as in any other, a person who takes the chance on mining exploration and development has to see the prospect of a reasonable profit. What is reasonable is going to be debated in here for a long time.

I simply say that, in our view, those people who are making the investments must surely have something that is going to compensate them for the chance and also for the investment of their own dollars. We believe this bill does that, and it has been entered into after a good deal of consultation.

I certainly thought an appropriate bill would be brought forward a year ago. The consultations went on, as it was adjusted this way and that, and I am not proud of the fact that we got ourselves into lengthy discussions with many variously informed people in the matter as we tried to bring forward a bill that would accomplish my aim, as expressed in the budget, of improving the administration, making the law understandable

and providing what we considered to be an incentive for the mining community while still maintaining revenue neutrality.

I am not for a moment saying this is perfect, but I can assure the honourable members that a good deal of work and consultation has gone into it. I think it is appropriate, and I am very glad that at least the official opposition has indicated its support in principle. We will look forward to the amendments which, in the view of some members of the House, might improve it, as we go forward.

We think the bill is properly drawn and meets the goals we, as the government, project for the northern development of our mining resources. I sincerely ask the honourable members to give us their support in principle, and later in the particulars of the bill.

1710

The House divided on Mr. Nixon's motion for second reading of Bill 189, which was agreed to on the following vote:

Ayes

Ashe, Barlow, Bernier, Bradley, Brandt, Callahan, Cordiano, Davis, Eakins, Eves, Ferraro, Fulton, Gillies, Grandmaitre, Gregory, Guindon, Haggerty, Harris, Hennessy, Jackson, Keyes, Knight, Lane, Lupusella, Marland, McCague, McFadden, McGuigan, McKessock, McLean, McNeil, Miller, G. I., Mitchell, Munro, Newman, Nixon, Offer, O'Neil, Partington, Peterson, Poirier, Pollock, Polsinelli, Ramsay, Reyecraft, Scott, Smith, D. W., Smith, E. J., Sorbara, Sterling, Stevenson, K. R., Turner, Van Horne, Ward, Wrye.

Nays

Allen, Breaugh, Bryden, Charlton, Foulds, Gigantes, Grande, Grier, Johnston, R. F., Laughren, Mackenzie, Martel, McClellan, Philip, Pouliot, Rae, Reville, Swart, Warner, Wildman.

Ayes 55; nays 20.

Bill ordered for committee of the whole House.

House in committee of the whole.

MINING TAX AMENDMENT ACT

Consideration of Bill 189, an Act to amend the Mining Tax Act.

The Acting Chairman (Mr. Barlow): Are there questions, comments or amendments to this bill?

Mr. McCague: We have amendments to section 3.

Mr. Foulds: I have no amendments but I have a comment on section 1.

Mr. McCague: Does the government have any amendments?

Hon. Mr. Nixon: No, it does not.

The Acting Chairman: No amendments from the government; you feel it is good the way it is.

Mr. Foulds: I have a very brief comment on section 1. I know this is the definitions section, but it is the definitions in a bill that make it the piece of legislation it is. I am pleased the definitions section indicates that the ministry is the Ministry of Revenue and that the bill will be under the jurisdiction of that ministry rather than under the Ministry of Northern Affairs and Mines, which previously it was temporarily, and the Ministry of Natural Resources prior to that.

The other comment I would like to make at this stage is that this bill has enormous implications in terms of revenue. Given ideal circumstances—not the circumstances under which we see ourselves at present—it is the kind of bill that in the future I hope the Treasurer (Mr. Nixon) will introduce early enough so that when it gets to clause-by-clause stage, it can actually go to a committee such as the standing committee on finance and economic affairs for three solid days of hearings with his officials and with interested parties.

Hon. Mr. Nixon: It is not an unreasonable suggestion.

Sections 1 and 2 agreed to.

On section 3:

The Deputy Chairman: Mr. McCague moves that subsection 3(1) of the Mining Tax Act, as set out in subsection 3(1) of Bill 189, be amended by striking out "20 per cent" in the second line and inserting in lieu thereof "one dollar."

Mr. McCague: As I indicated to the Minister of Revenue (Mr. Nixon) earlier, I believe the ideal situation would be to drop the mining tax and to allow the companies to use those funds for exploration, new technology, and in general, for the creation of jobs.

The Treasurer—I keep referring to him as the Treasurer but he has so many hats I am not sure which one he is wearing today—mentioned in his preamble when we had second reading of this bill that he was going to bring the bill and the regulations into line. I am not sure why the regulations would dictate that he should bring the bill into line with them. I would have thought it

was the reverse, but as I understand it, that is what was said.

I think the incentives that could be created in the north by the elimination of this tax would go a long way towards assisting the government with the dilemma it finds itself in with jobs and with initiatives in the north. The minister and his cabinet colleagues have been visiting the north quite often, no doubt looking for support, but by the same token, looking for ways to stimulate business in the north. This is one thing they could do right from Queen's Park to stimulate all kinds of activity in the north. Therefore, we put our amendment for the elimination of the tax, all but for \$1.

1720

Mr. Foulds: We find ourselves opposed to the Tory amendment. I think the reasons were clearly outlined in my speech on second reading, even though we did not then have this particular amendment before us. At present, we feel there is not enough revenue in the piece of legislation before us and certainly not in the amendment the Tory party has put forward.

It is not merely a principle of socialists, but also one we in British Commonwealth countries inherited from England, that royalties and taxation of resources is a legitimate activity of government because the resources of a country or a province belong to all the people. I would have thought the Tory party, in particular, would have realized that the old legislation gave the crown the right to this taxation and that the crown—originally Queen Elizabeth I—was representative of all the people. Therefore, we feel we cannot support the Treasurer's bill or the Tory amendment on this section in terms of principle, in terms of the historical development or the legitimate revenue the people of the province should be getting from a resource that is theirs and which is being exploited and exhausted.

Mr. Harris: I rise to speak in favour of this amendment. I understand the government. It is in a particular phase of its career when, from the perch on which it perceives itself to be, it does not want to do anything significant to rock the boat. I understand why it does not want to help the north in this way.

I say to the New Democratic Party, and I made the arguments on second reading, that I do not think the traditional dogma that government should tax the bejabbers out of every resource because it belongs to it is necessarily the right way to go at this time in our history. On the basis of traditional positions, the NDP members would support massive taxation on the companies

because of the resources, which I think would lead to a very uncompetitive position for our mining companies, to a loss of jobs and to a further blow to northern Ontario at this time in its history. Whatever economic activity was maintained, they would then support the government collecting that money and reinvesting it in the north; I am sure they would support that.

When government gets involved in taking money away through taxation, that costs X dollars. Then one sets up a great council and superfund and advisers and ministries to figure out how to spend the money. We will have all these programs that will be spending on a political basis instead of on a true economic basis in the way they should; at least, it is subject to that interpretation.

What always bothers me is something I have never been able to put my finger on because it varies with various taxes and programs of delivery. When we take something out of the economy, I do not know whether 25 cents gets back; sometimes I think nothing gets back, or sometimes it may be more than 25 cents. I have used the argument and I have not been challenged on it sufficiently with enough data saying I am wrong, so I will use it again. By the time you invest the cost of collecting it, sorting out how you are going to spend it and then deliver the program, the north gets back about 25 cents for every buck taxed out of it in this way.

Here is a situation at this time where the money should be left with the mining companies for exploration, to maintain competitiveness, to improve the environment for mining activities, to hire more employees and to keep wages competitive. Traditionally, when mining companies have had money, they have spent money. The unions are in a much better bargaining position when there is something there to bargain for. I understand where the New Democratic Party is coming from and I do not totally disagree with what it says about this being a provincial resource from which the province should benefit, but I say that northern Ontario should benefit from it; it is a northern Ontario resource.

Right now, northern Ontario is facing very difficult times. It could benefit from what we know is an established industry providing many jobs in the north if the government would for a period of time quit grabbing what little money there is in the situation northern Ontario is in. I argue this is a logical amendment for every member from northern Ontario to support, and surely for the New Democratic Party as well as for the government to support, if it is interested in

seeing money stay in the north, with more economic activity, more jobs and better wages.

I urge the Treasurer, and the members of his party who are sitting in their offices doing other work while watching this debate as I speak at this very moment, to listen to what I think is a very logical and rational argument for putting 100 cents of a dollar back to work in northern Ontario for this period of time in our history, by supporting the amendment that has been put forward by my colleague the member for Dufferin-Simcoe (Mr. McCague).

Mr. McCague: Initially, I asked the Treasurer about the companies that would be hit by this tax. I wonder whether he can tell us the ones that will be adversely affected by this scheme he has laid out for us.

Hon. Mr. Nixon: Does anybody else want to comment on this? Obviously, we can speak as we want.

I do not have a list of the companies and what the impacts will be but I am informed that with the depletion allowance—is that what it is called?—and the exemption being raised to \$500,000, if anybody gets a break, the base metal mines will, and that the high-profit gold mines will be paying an additional amount. At least the balance breaks that way. I do not have a list of the impact company by company, and I am not prepared to prepare it and give it to the member. It is not that it is secret but the tax returns are not public documents and I cannot really make them that way. But as the member knows, we do report our revenues, most recently in the Ontario Finances that was tabled last week.

As to the mining profits tax, the budget plan that was established when the tax was administered under the Ministry of Natural Resources and then the Ministry of Northern Affairs and Mines, was listed at an expected \$55 million. Actually, we now expect to collect \$85 million, not so much because of any changes in this but because of the administrative turmoil associated with assessments not established or sent out, assessments not followed up and disagreements with corporations that go back a number of years. It is not always appropriate to single out individuals, but Larry Leonard, assistant deputy minister, who now is at the table before me on my right and who may be known to some members, undertook to follow up on some of those and through judicious discussions with the people who were subject to old assessments was able to find an additional \$30 million which is reported in Ontario Finances.

It would be nice if we could say it was because of the expanded operations of the mining community, and obviously there is additional buoyancy in the gold fields, but the additional revenue really came from stepping up our administrative process. I do not know whether the member for Nipissing (Mr. Harris), who for a brief period shared the responsibilities of this as he was shuffled from post to post during his career on the Treasury benches—perhaps it was his commitment to the concept he has described that no money should be taken out of the mining profits tax and that it should be reduced to a dollar for a reassessment.

1730

We do not believe that. Of course, if the mining people had their druthers, they would prefer to pay no tax or even to get subsidies if we were prepared to do that. But most reasonable people, including the hard-headed mining entrepreneurs and business people, many of whom have been in the business for many years, understand that they should be paying their fair share of the taxes and that the development of the north, while we do not earmark the taxes, should be an appropriate call on those sorts of funds.

So we really feel that we cannot accept the amendment. We think it is reasonable for us as a government to maintain the revenues from the mining profit tax. We hope that administration will return more money to the Treasury but will also be seen to be judicious, fair and equitable by the people who are assessed and who have to pay the claims, and that the people who are interested in the rights of the crown in Ontario will feel also that we are not giving away the resources but that we are in fact suitably stimulating the mining industry in a way that will provide jobs and revenue for the Treasury of this great province.

Mr. Foulds: I just want a very simple explanation from the Treasurer. Can he explain to me how this section allows him to gain more revenue from the high-profit mines at Hemlo, as he just claimed?

Hon. Mr. Nixon: I think it is appropriate to say that the base metal mines get a better break, if you might call it that, because of the processing allowance, which is not payable on the same basis in the gold mining operation; so that offsets to some extent the fact that they are going to be paying a 20 per cent rate, then a higher rate. In fact, the average rate payable in the graded rates that we are hoping to abandon was something like 15 per cent, so we feel that this adjustment is going to improve the revenue to some extent, but

giving a greater exemption at the low end will balance that out.

So if I said that the gold mines are going to pay less, I meant that the base metals would pay a lesser amount on the basis that they have a processing allowance that is somewhat more generous than that granted to the gold operations. That is on the basis of being a farmer from Brant county.

Mr. Foulds: What the minister is giving, then, is the relative state between base metals and gold, for example, rather than in absolute terms.

Hon. Mr. Nixon: Yes.

Mr. McCague: As a farmer from a different part of the province, I hope the Minister of Revenue can tell us something. I understand that the base metals will pay less, likely; the gold mines will pay more. I was not asking for a list of each mine and what tax it would pay. What I would like to know is whether there is any other grouping into which those that will pay more fall. Could the minister be a little more definitive as to those that are going to be hit by this, other than the large gold mines?

Hon. Mr. Nixon: I am not aware of that. My officials cannot give me a suggested answer. There may be some other officials here who may send me a note in that regard; but frankly, until I receive additional information, the answer is no. I cannot provide that information.

Mr. McCague: The information I have is that the Ontario Mining Association are prepared to accept this legislation at its value, but unfortunately, as they put it, there will be some who will be adversely affected by this legislation. I hope that is factual, and I was just looking for an answer to those who would be adversely affected.

Hon. Mr. Nixon: If there were not some adjustments in the taxes payable, assuming one could freeze the whole mining industry in amber while one examined it, then there would be no point in changing the legislation. Obviously, some companies will pay more under the new legislation and some will pay less. I do not know what the categories would be and I do not know what companies they would be. I am sorry I cannot be more forthcoming.

The Deputy Chairman: Shall Mr. McCague's motion carry?

All those in favour will please say "aye."

All those opposed will please say "nay."

In my opinion the nays have it.

Motion negatived.

The Deputy Chairman: Mr. McCague moves that subsection 3(1) of the Mining Tax Act, as set out in subsection 3(1) of Bill 189, be amended by striking out "20 per cent" in the second line and inserting in lieu thereof "18 per cent."

Mr. McCague: I am disappointed that the Minister of Revenue was not able to accept the first amendment. This one is much the same, except that it moves from \$1 to 18 per cent.

The reason for this amendment is to prevent Ontario being in the position of the big tax grabber of all the provinces of Canada. As I understand it, the rate in Quebec is 18 per cent and the rate in other provinces is somewhat lower than this. I would be very pleased if the Treasurer could see his way clear to accepting this amendment.

We have talked about the things the Treasurer is searching to do for the north: the great sums of money that are being spent to do studies upon studies, the great sums of money that it takes to fly the ex-Minister of Northern Development and Mines around the north and a lot of expenditures that are being incurred by the government.

We just think that if he were to leave this two per cent in the north, it would create a good number of jobs, it might avoid layoffs and it might even make the Minister of Revenue look good in the north. I know how hard he is striving to do just that.

Mr. Foulds: We will not be supporting this amendment, because it does not leave any money in the north.

Hon. Mr. Nixon: We cannot accept the amendment. The argument about our being comparable to Quebec certainly makes some sense until one looks at the other aspects of our mining tax base. I have already referred to the \$500,000 exemption and certain other allowances that the experts, who are independent on these matters, have indicated will balance it out just about as closely as one can get.

We feel we have a policy that does stimulate the operations in the north more effectively by exempting the first \$500,000 and having certain allowances that benefit the base metals. In order to make up for that, the other two per cent is logical and justifiable.

The honourable member said something about flying around in the north. I should just leave this alone, but in 1984-85, the Ministry of Natural Resources planes were used 1,636 hours on government business; in 1980-81, they were used 1,280 hours; in 1974-83, they were used

hours of chartered flying, and in 1986-87 there were 283 hours of chartered flying. Maybe we are not getting around the north enough and maybe we ought to be stimulating that.

1740

Somebody handed me that, and I have been waiting to use it, so there you are. Maybe we will have a lengthy discussion on this, but to tell the truth, there is no party in this House that has a corner on wanting to have programs that give people in the north an opportunity. Everybody has been in opposition, where you tend to amplify that; and in government you see that really much more must be done for the north. The Premier (Mr. Peterson) and my other colleagues in the government have been making a variety of announcements. I wish they were more effective. I wish in the long run that we could bring out additional programs, and who knows? We may be able to do that. But we have moved almost 1,200 jobs from the Toronto area into northern Ontario. That does not stimulate the whole economy, but it is an indication that we are trying to do these things.

When it comes to stimulation of the mining operation, we feel this is a fair and equitable change. It is supported by the mining association. We have the Ontario mineral exploration program, which is generally accepted as reasonably generous. It is a 25 per cent grant in the case of individuals and a 25 per cent credit in the case of corporations, which, together with the federal programs, really has worked reasonably well to stimulate the north.

Those programs are essentially the ones we inherited. We think they are reasonably well set up, but we would hope to improve them and make them more effective if we could. But while there is lots of politics in this, I do not think there is any thought that there is anybody in this House who does not feel that the stimulation of economic enterprise, particularly mining enterprise, is worth while. We have extracted a lot of money, as well as resources, from the north. We have to recognize that and see that our policy is reflected as well. We do not want to accept the amendment.

Mr. Harris: I am sorry I did not get on ahead of the Treasurer, because it is more difficult for him to change his mind now that he has stated he does not want to accept it, but I will try anyway.

Let me also say that the Treasurer indicated that 1,200 jobs have been moved to northern Ontario. There has not been a single government job moved to northern Ontario. There has been an announcement that they will move to northern

Ontario, and we support that. I may be a little off topic, but the Treasurer has used that as a rationale for why he should not accept this tax, so I think it is fair that I comment on it.

With modern communications, those kinds of moves make some sense in 1986-87. As well, with the tremendous recovery in southern Ontario and the exact opposite happening in northern Ontario, it is one way that government can share the wealth a little bit, and we are very supportive of that.

But I am always intrigued when the Treasurer and members of this government make an announcement. Then they go around and say, "The fact is that we have moved 1,200 jobs." That is not true, and in fact, many of the statements that have been made by this government—this Premier and this Treasurer included—do not ever become fact.

The mines staff in the Ministry of Northern Development and Mines, I understand, in spite of the fact the announcement was made with great fanfare a year ago and it would all be done within two years, are now being told to be ready to go in four years, so who knows what northern Ontario will be like in four years if that follows the same pattern? I want to tell him I have more confidence, not in many areas but in this area, that the Minister of Correctional Services (Mr. Keyes) will be able to get some staff in North Bay in a little shorter period than five years, which it appears it may take to get those jobs into Sudbury on the basis of what we hear.

Hon. Mr. Nixon: Is North Bay on that list?

Mr. Harris: It is now, and the Treasurer should not make a comment like that, because the people are already very, very suspicious of promises made by him, by his Premier and by his government.

This move to 18 per cent will come very close, with the other moves in the bill, to doing away with any companies being faced adversely by having to pay more, because we have not been able to zero in precisely on the companies. The Treasurer quite correctly says, "I cannot give you tax information." I am a little disappointed that, knowing this bill was going to be debated today and in fact thinking it would be last week, he did not have a few more answers regarding the groupings of companies that pay more.

The move to 18 per cent would probably come close to solving that problem. If the Treasurer accepts this amendment, my colleague may not have to move the third amendment that guarantees that nobody pays more, because the net

benefit of at least being competitive with Quebec and with other jurisdictions makes a lot of sense.

It is peanuts as far as revenue to the Treasurer goes. I have known the Treasurer in some cases to be a reasonable man. I hope he will not stick to some silly principle as a reason for not supporting the amendment; that that is what the government said and he cannot change his mind. I would like him to look seriously at this amendment as making some sense and being of benefit in making this bill a little more meaningful to the mining companies and the workers from northern Ontario.

Mr. McCague: The Treasurer knows that what we are proposing—while it may not work out to be exactly these figures—is that \$8.5 million more be left in the north for purposes that I think could be at least encouraged by the Minister of Revenue. The member for Port Arthur said his party is opposed to the amendment because it will not do anything for the north. That may be. I think it is worth the experiment or worth a try.

In the last few years, I have had the pleasure of visiting quite a few of the northern mining towns. While the New Democratic Party can say that all the money is taken out of the north and none is left there, I found a very good atmosphere and feeling between the people who worked in the mines and the company executives who were interested in doing something for that town, district or whatever they happened to be in.

I know it is a very traumatic experience for anybody in those areas when a mine closes down completely. I have visited a couple of places where there is nothing new, nobody lives there, and I find that very disturbing. If the Treasurer, as Minister of Revenue, is prepared to leave a little more money in the north, probably with some discussion with the companies as to how that might be used, that is one of the kinds of northern incentives he might well want to promote.

I am glad I gave the Treasurer the opportunity to put that little bit of information he had on that little piece of paper on the record. Those are interesting figures. I wonder if he took into account the fact that it is the best year for a long time in terms of forest fires. His figures may be tainted a bit or smoked up a bit by those facts.

The Deputy Chairman: All those in favour of Mr. McCague's amendment will please say "aye."

All those opposed will please say "nay."

In my opinion the nays have it.

Motion negatived.

1750

The Deputy Chairman: Mr. McCague moves that:

(a) subsection 3(1) of the Mining Tax Act, as set out in subsection 3(1) of Bill 189, be amended to read as follows:

"3(1) Every operator is liable for and shall pay a tax on the profit determined under subsection (5) for the taxation year from all mines in which the operator has an interest equal to the aggregate of,

"(a) 15 per cent of the amount by which the lesser of the profit and \$1 million exceeds the lesser of,

"(i) the proportion of \$250,000 that the number of days in the taxation year is of 365, and

"(ii) the aggregate of amounts determined under subsection (3) in respect of each mine in which the operator has an interest; and

"(b) 18 per cent of the amount by which the profit exceeds \$1 million;" and

(b) subsection 3(2) of the Mining Tax Act, as set out in subsection 3(1) of Bill 189, be amended by striking out "\$500,000" in the fourth line and inserting in lieu thereof "\$250,000;" and

(c) clause 3(3)(a) of the Mining Tax Act, as set out in subsection 3(1) of Bill 189, be amended by striking out "\$500,000" and inserting in lieu thereof "\$250,000;" and

(d) subsection 3(4) of the Mining Tax Act, as set out in subsection 3(1) of Bill 189, be amended by striking out "\$500,000" in the fourth line and inserting in lieu thereof "\$250,000."

Mr. Harris: The amendment that was placed was fairly lengthy. Let me say a few brief words and ask the Treasurer for some comments and then we will not worry about it too much. The attempt of what we wish to do with this is to maintain the good parts of what the Treasurer is proposing, i.e., I believe the threshold has been raised from \$250,000 to \$500,000. We drafted this amendment fairly quickly and I think there is an old number in there that I am not exactly sure is the intent of what we wish to propose. If we had some signal of its acceptability by anybody in this House other than those in our party, we would draft it accordingly. What we would like to propose is that there be a 15 per cent threshold, but of course based on the \$500,000 and not on the \$250,000. This would guarantee that nobody would be adversely affected by the flat 20 per cent; in fact, there would be a phase-in of 15 per cent to 20 per cent.

Before we bog ourselves down in the details of how to draft that amendment, I might ask

whether the principle is acceptable to the Treasurer or to my esteemed colleague the member for Port Arthur (Mr. Foulds).

Hon. Mr. Nixon: The honourable member is asking for some indication. As Minister of Revenue, I am quite satisfied that what amounts to an agreement we have reached with the people involved in the business should not be seriously interfered with. We have simplified the process and have come up with a formula that they find more useful and in fact stimulating. The member is suggesting they build on our decision to exempt the first \$500,000, which stimulates small operations, and then build in further improvements from the standpoint of the people paying the revenue; that is not acceptable. Naturally, we will accept the decision of the House on this, but we highly recommend that the formula we have put forward be maintained.

The member for Port Arthur is very concerned that some of the more profitable, new operations are escaping the kind of revenue that ought to be payable. It is not really within my competence to explain this as fully and effectively as I should, but because of a variety of procedures that have been established, there has been an average rate of 15 per cent. Many of the gold mines have been paying at that marginal rate rather than the 30 per cent that is in the act.

It is possible that if we kept the old act and applied it in a slightly more businesslike way, we would be receiving more than the 20 per cent that this act envisages, but we feel it is a well-understood administrative practice, re-established under the Ministry of Revenue, that a flat rate of 20 per cent will be applied. We think, and the projections are, that those productive, highly profitable mines will be paying at a rate higher than they would under the process we are leaving behind.

I know the honourable member is saying, "I would like to understand and believe what you are saying," but my arguments are not as conclusive as I would like. The explanations that have come from the people who deal with this on a day-to-day basis have not fully penetrated so that I can pass them on to the member. I simply pass on that aspect of goodwill and the fact that I do believe this simplification, with the deep bow to the small new operators with the exemption of the \$500,000, is going to be stimulative, reasonably productive of revenue and fair. It is not set in stone.

Mr. McCague: As the Minister of Revenue and I discussed earlier today, we in the opposition asked for the minister's assistance in drafting

some amendments last week when it appeared we would have to deal with this bill in very short order. I believe we erred on this one. I am not blaming the ministry; I am not taking any blame for it ourselves. The aim was not to lower the amount on which tax would apply.

Since the minister has refused to accept any reasonable amendments such as we have put forward up until this point, we will be happy to withdraw this amendment.

The Acting Chairman (Mr. Barlow): The amendment has been withdrawn. Are there any further amendments?

Mr. McCague moves that clause 3(7)(f) of the Mining Tax Act, as set out in subsection 3(1) of Bill 189, be amended by striking out "person" in the third line and inserting in lieu thereof "operator."

Hon. Mr. Nixon: We have given quite careful consideration to that, because the Ontario Mining Association people have indicated they would like to do that. However, it involves the utilization of the federal pass-through program in a way which was not envisaged by Revenue officials here in Ontario.

We feel we have a substantial program involving the Ontario mineral exploration program, plus certain other stimulative federal and provincial programs, which have worked very well in the mining community in the north. We feel passing the right to this tax relief on to the mining corporations themselves would not be justified in the terms we are looking at, and we are not prepared to accept or support the amendment.

Mr. McCague: I am not as knowledgeable in this as the minister; at least, I do not have the staff to explain to me the pitfalls that might be involved in the changing of the word "person" to "operator." In consultation with mining companies, it was pointed out on several occasions that "operator" was a better word than "person," and it was understood that there might be a duplication on either side. I am not sure whether the duplication comes with "person" or "operator."

but if it is "operator," as our amendment suggests, it is clearly stated that the companies do not want to take advantage of any such situation and, in fact, that the problem may arise with the word "person" rather than the word "operator." I know I have thoroughly confused the minister.

Hon. Mr. Nixon: It is not just a matter of which is the correct word or, as we say in South Dumfries, *le mot juste*. We believe it does have quite a substantial impact on revenues, and we are advised that it is not acceptable, unless of course the House decides otherwise.

If the debate is going to continue, obviously we should adjourn.

Mr. Harris: I would like to ask one quick question. I wonder if the minister knows whether, like the Quebec legislation—I think I understand what is happening by exchanging these words—it allows the corporation to get the tax benefit from doing work perhaps on others' properties or claims. Is my understanding correct in that?

Hon. Mr. Nixon: Yes. I cannot say precisely what is the Quebec approach to this; ours is not identical, but we do feel that the position we are taking is competitive.

Mr. McCague: On the basis of that, I think we are prepared to take the minister's word for it and proceed.

The Acting Chairman: Proceed with the vote? Are you withdrawing the amendment?

Mr. McCague: Proceed.

The Acting Chairman: All those in favour of the amendment to clause 3(7)(f) will please say "aye."

All those opposed will please say "nay."

In my opinion the nays have it.

Motion negatived.

Section 3 agreed to.

Sections 4 to 25, inclusive, agreed to.

Bill ordered to be reported.

The House adjourned at 6:03 p.m.

ERRATA

No.	Page	Column	Line	Should read:
99	5232	2	44	glib 'Nice to see you' or a regal wave.
99	5232	2	46	'minimize political damage.' Be it people worried
99	5232	2	50	dren and their community, the Peterson strategy
99	5233	1	4	across Kanata will pause for a moment to
99	5238	1	53	Mr. Sterling: What are you talking about? Why don't you deal with the present and the future? Why are we going back? You were the guys who said you were going to have open government.
99	5239	1	37	name, Harry Hinchley from Renfrew, who went
99	5239	1	44	What is the Premier telling Harry Hinchley
99	5239	1	53	telling Harry Hinchley and all those other people

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No. 101

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Legislative Assembly of Ontario



Second Session, 33rd Parliament
Tuesday, February 10, 1987

Speaker: Honourable H. A. Edighoffer
Clerk of the House: C. L. DesRosiers

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LEGISLATIVE ASSEMBLY OF ONTARIO

Tuesday, February 10, 1987

The House met at 1:30 p.m.

Prayers.

MEMBERS' STATEMENTS

SPORTS FUNDING

Mr. McCague: The good people of Collingwood and area, and indeed many citizens of Canada, the United States and our own province, are enjoying a banner ski year in the four-seasons capital of Ontario. The organizing group for the World Youth Wrestling Festival is turning its attention to the world championship, which will be held in Collingwood from July 5 to July 11 of this year.

We need a commitment of funding from the Minister of Tourism and Recreation (Mr. Eakins). We need the maximum hosting grant of \$25,000 from Wintario. It has been indicated that the minister will not know the success of his budget until at least April, with a likely May or June announcement. I am asking that the minister announce the grant right away in order to facilitate planning and to assure that the event, the only world championship in Ontario this year, is truly successful and a tribute to our province and its people. I trust the minister will oblige.

TECHNOLOGY FUND

Mr. Philip: Last Thursday, the standing committee on public accounts passed a motion I had introduced, the intent of which is to have a full, public, open inquiry into Exploracom. On May 28, 1986, the Premier (Mr. Peterson) wrote to Abe Schwartz, president of Exploracom. In that letter he stated, "I am pleased to commit on behalf of the Ontario government a startup grant of \$17.5 million."

It is fairly clear from reading the Premier's letter that the letter is a promise in response to some kind of application. However, it is not clear from questioning the Premier whether there was a program in place or whether there were criteria and evaluation processes in place by which the Premier decided to give \$17.5 million of the taxpayers' money to his friend and political ally Abe Schwartz.

There is in law a principle of reliance which states that if there is a verifiable promise on which your actions have relied, you have in fact a

form of contract. In cancelling the agreement with the employees of Exploracom, the Liberal government has argued that Exploracom failed to attract enough corporations willing to participate in the project, but the Premier failed to table the Coopers and Lybrand study that he says justified his cancellation of the project. We now have learned the study found that "the interests of exhibitors is high and their expectations are realistic."

It is time for the Premier to come clean—

Mr. Speaker: The member's time has expired.

Mr. Philip: —to release all documents in this House and to have—

Mr. Speaker: Will the member take his seat, please.

BRAMPTON FESTIVAL

Mr. Callahan: It is with great pleasure that I rise and invite all the members of the Legislature, and for that matter any interested parties watching us on television, to attend the multicultural festival in Brampton, Carabram '87.

I have just learned that the opening of this event, the first evening when one will be able to sample portions of the sights, sounds and tastes of 16 different representative groups, will occur at 7 p.m. on June 29 at Lester Pearson Theatre, which is located in Brampton in the civic centre.

I encourage all members, if they cannot make the event itself, which is held the following weekend, to drop out to see this and I am sure they will understand why Brampton is such a thriving community. They will also have an opportunity to visit 16 different countries and to participate in their sights, sounds and tastes.

CREDIT CARDS

Mr. Harris: I want to bring to the government's attention once again my great concern about the ripoff interest rates being charged consumers by credit-card companies. I have raised this issue before with this government, and the Treasurer (Mr. Nixon), the Minister of Consumer and Commercial Relations (Mr. Kwinter) and the Premier (Mr. Peterson) have not done anything or said anything on the matter. Rates of 18.6 per cent, 21 per cent, 24 per cent

and up to 28.8 per cent are common when the prime rate now is 9.25 per cent.

The poor and the less well off, who cannot afford to pay their full charge every month—the ones who can least afford it—are the ones now financing the whole credit-card system, and the rich, the banks, the oil companies and the department stores are all benefiting. There are things the Treasurer and the Premier can do but so far they have refused to do anything.

The New Democratic Party has said there is nothing this government can do. It is quite wrong; there are a lot of things it can do. They can talk to the companies involved. They can publicly speak out on the issue. They can influence companies with their purchasing power of goods and services. They can influence the banks with the placement of bank deposits.

When are the Premier and the Treasurer and the minister going to start actually doing something on this issue to the benefit of lower-income consumers in Ontario? The people of Nipissing want action from the government.

NIAGARA REGIONAL POLICE

Mr. Swart: Last Thursday, the Niagara Regional Police chief was suspended by the commission and charged with deceit and corrupt practices under the Police Act. This is only one further episode in the ongoing, four-year saga of proved and alleged misconduct of the force. These include illegal wiretapping, steering business to certain towing companies, nepotism whereby more than 25 per cent of the force are related, brutality, conviction of the former commission solicitor on criminal activity, etc., etc.

Much of the blame for the ongoing problems rests squarely with the Ministry of the Solicitor General. For four years I have been calling, along with many others, for an independent public inquiry into the Niagara Regional Police force. The former minister and the present minister have refused it, even though there is enough prima facie evidence to warrant it 10 times over.

Credit now must go to the new chairman of the commission, Denise Taylor, for doing her own investigation and taking action in a way far superior to anything the Solicitor General's ministry has done. The minister now must be supportive of Mrs. Taylor and do what is necessary, including an independent inquiry if that is deemed necessary by her.

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FUTURES PROGRAM

Mr. Jackson: When this government first assumed office, it talked in its throne speech about being a government with no walls and no barriers. It is interesting that 14 months ago the Ontario Association of Education Administrative Officials wrote the Minister of Skills Development (Mr. Sorbara) a strongly worded letter of concern about the Futures program in this province and how it was and could be directly contributing to a decline in the attendance at our secondary schools throughout Ontario. It was a well-worded, cautious letter expressing concern about the potential hazards of that program.

Ten months later, I asked the minister if he had responded to the call. He said he had not; he was unfamiliar with the letter. His deputy minister said, "We asked the group to come to meetings and it refused." That was the response from the deputy minister.

Now, a year later, I find the same organization has written to the Premier (Mr. Peterson) and the Minister of Skills Development again, requesting a meeting. The minister and the Premier still have been unwilling or unable to find time to assist the secondary school teachers of Ontario and the association of education officials in Ontario to help resolve this major concern about the erosion of attendance in our secondary schools.

STUDENT ASSISTANCE

Mr. Warner: This is part two of my statement; yesterday was part one. I return to the same frustrating case of Angela Browne, who, in addition to being told she must reveal the nature of a family disagreement, has been told that to qualify for student assistance she must be attending full-time at university. Yet medical evidence says that because of her disability, she should be attending only part-time. The government refuses to assist her in her plight.

I am surprised and disappointed that the government has this kind of callous approach to a student who truly deserves the kind of assistance that many students are afforded in this province. Once again, I call on the government to reverse its stand and assist this disabled student, Angela Browne, so she can attend Brock University.

STATEMENTS BY THE MINISTRY

AMATEUR ATHLETES

Hon. Mr. Eakins: I am pleased to have the privilege of announcing Ontario's Amateur

Athlete of the Year, Amateur Team of the Year and Amateur Disabled Athlete of the Year.

I am delighted to report that 1986 was a great year for Ontario's amateur athletes. Many of our athletes have won national and international competitions. Ontario's athletes turned in outstanding performances at the 1986 Commonwealth Games in Edinburgh, Scotland. I am sure my colleagues share with me that special pride in our province and our country when our athletes perform to their highest level of excellence. The athletes we honour today are the best.

The Amateur Team of the Year Award goes to the Marilyn Darte curling team of St. Catharines. For the first time in Canadian curling history, an Ontario team won the Canadian Ladies Curling Championship and then went on to win the world championship in Kelowna, British Columbia.

The team players are Marilyn Darte, Kathy McEdwards, Chris Jurgenson and Jan Augustynn. Lynn Reynolds is the team's coach. On its way to winning the world championship, the team compiled a remarkable record of 44 wins and four losses. It should also be noted that Marilyn Darte and her sister represented Ontario in curling at the Canada Winter Games in 1971 in Saskatoon, which demonstrates how our athletes progress through our system to become world champions.

Ontario's Amateur Athlete of the Year for 1986 is none other than Ben Johnson of Scarborough. Ben Johnson is the first athlete to have been singled out as the sole winner of this award for two years in a row. Ben is a much-honoured athlete, having recently been awarded the Order of Canada. Ben is one of Ontario's greatest athletes. He is the world's fastest man and his accomplishments in the field of running are legend. In fact, he broke his own world record in the 60-metre dash last month in Osaka, Japan.

Members of the House will recall that last November I announced the new award to recognize the achievements of Ontario's disabled athletes. The first recipient to be so honoured is Joanne Bouw of Windsor. Joanne's achievements on the international scene this past summer were unparalleled by any other cerebral palsy athlete. Joanne Bouw's performances during the 1986 season in shot-put, discus and javelin were the best in the world.

It is people like Joanne, Ben and the Marilyn Darte curling team who inspire other Ontario athletes to excellence.

Ontario's sport development system is second to none. Not only does it provide the necessary

funding for the development of high-calibre performance, but it also encourages all Ontario residents to participate in sports. As minister responsible for sports and fitness in the province, and on behalf of the Premier (Mr. Peterson) and my colleagues in the House, it gives me great pleasure to extend the heartiest congratulations to these superb athletes—Ontario's best, 1986.

I am also delighted that we have Ben Johnson in the gallery today. We are honoured to have him with us and welcome him as Ontario's athlete and world champion.

MUNICIPAL ELECTIONS

Hon. Mr. Grandmaître: I am pleased to release the final report of the Advisory Committee on Municipal Elections in Ontario.

Comme les députés le savent, au cours des derniers mois, un comité composé de Anne Johnston, Gérald Parisien et Mary Erichsen-Brown a mené une enquête approfondie sur le processus des élections municipales.

Some 450 letters and submissions were received from provincial and municipal representatives, municipal associations, student bodies and other interested groups and individuals. From these, the advisory committee produced the report entitled Local Government Elections in Ontario.

Le présent rapport aborde une large gamme de questions, notamment les contributions et dépenses relatives aux campagnes électorales, l'admissibilité des votants et les dépôts de la part des candidats.

Many nonresident voters, such as students, felt excluded by the six-month-residency qualification period proposed in the interim report. As a result of student demands and public input, the committee now recommends a residency qualification period of one month prior to voting day for all voters.

Many of the recommendations presented in this final report confirm or refine the initial proposals made by the advisory committee in its interim report released last August. Comments are requested by the end of May. It is my intention to have the electoral reforms in place and operating for the 1988 local government elections.

COUNTY GOVERNMENT

Hon. Mr. Grandmaître: I am pleased to inform the members that I have formed an advisory committee to study county government in Ontario. This responds to changing conditions which suggest it is time to review the capacity of

county government to deal with important service issues.

Les comtés eux-mêmes reconnaissent le besoin d'assumer une plus grande part de responsabilité dans le domaine de la gestion des déchets, des plans de temps de crise, de l'aménagement économique et de la mise en application du code de construction. En outre, les comtés peuvent jouer un rôle clé dans la mise sur pied des services sociaux, tels que les soins aux enfants et les services aux personnes âgées.

I have asked my parliamentary assistant the member for Erie (Mr. Haggerty) to chair this advisory committee to review county government in Ontario.

1350

APPEAL OF COURT RULING

Hon. Mr. Scott: On January 23 of this year, the Ontario Court of Appeal set aside the conviction of Ernst Zundel for publishing false news contrary to section 177 of the Criminal Code of Canada. I have today instructed my crown law officers to bring an application in the Supreme Court of Canada seeking leave to appeal that decision in order that the conviction be restored.

I have met over the last few days with a wide range of interest groups, whose views touch all sides of the very difficult questions raised by this case. In addition, I have received many letters from citizens all across the province expressing their concern and providing me with their opinion.

While this has been extremely helpful, the decision to proceed in the manner I have just announced was finally based, as it must be in all cases, on strict concern for the due administration of justice. The law creating the offence under which this charge was laid has been found by the Ontario Court of Appeal to be constitutionally valid. The evidence that was tendered in support of the charge was sufficient to satisfy the jury beyond a reasonable doubt.

In taking on this prosecution in the first instance, the crown accepted the burden, among other burdens, of proving beyond a reasonable doubt that the Holocaust occurred. The jury found that the crown had met that burden. As a result of certain legal defects, the Court of Appeal has ordered that a new trial be held. Significantly and importantly, however, there was not even a suggestion by the Court of Appeal that the evidence did not clearly establish the existence of the Holocaust as a historical fact.

In seeking to have the conviction restored, the crown will ask the Supreme Court of Canada to review the judgement of the Ontario Court of Appeal, particularly with respect to the issues of the challenge-for-cause procedure dealing with jury selection; whether the trial judge ought to have taken judicial notice of the fact of the Holocaust; the legal instructions given to the jury dealing with the essential element of the offence, and the admissibility of various pieces of evidence. If leave to appeal is granted, the crown will move expeditiously to bring the appeal on for argument before the court.

In these circumstances, I can see no satisfactory reason why I should interfere with the normal operation of the criminal justice system. Thus, an application for leave to appeal to the Supreme Court of Canada will shortly be made.

RESPONSES

APPEAL OF COURT RULING

Mr. Grossman: I wanted to join briefly in the decision of the Attorney General (Mr. Scott) and to let him know that we agree with his decision in the Zundel matter. I think it is quite clear that, as difficult as the price sometimes is because of those who wish to take advantage of the publicity this brings to their unusual, unacceptable views, it is important that society not back off from prosecuting these matters and allowing the law to operate to its fullest against those who seek to perpetrate this kind of propaganda; so we wanted to express our support for the Attorney General's decision.

AMATEUR ATHLETES

Mr. Partington: On behalf of our party and personally, I would also like to congratulate the Marilyn Darte curling team on its tremendous achievements over the past year and its recognition as Ontario's Amateur Team of the Year. Their flair, colour, ability and spirit lifted curling, not only in St. Catharines but everywhere, to new levels of appreciation and interest.

Mr. Pope: We would like to add our congratulations to Ben Johnson, Ontario's Athlete of the Year, and say that he truly did have a spectacular year in international track and field events. We wish him continued success in 1987. As we move forward to 1988, I might say to Mr. Johnson we know his great talent and ability will serve Ontario and Canada well in the upcoming Olympic Games.

Before I sit down, however, I should make a passing comment with respect to this government's flagging support of amateur athletics in

this province. Not only has every amateur athletic team in this province had increasing difficulties with the lotteries branch of the Ministry of Consumer and Commercial Relations, which the government is unwilling to help them with, but also the ministry has reduced the mileage for travel subsidies for these amateur athletes to go to events across the province to \$4 a kilometre now instead of \$16. They have put in a radius requirement of 200 kilometres to attend events.

The support for amateur athletics in this province has never been as bad as it has been under the Liberal government.

Interjections.

Mr. Speaker: Order.

COUNTY GOVERNMENT

Mr. Brandt: I want to respond to the comments made by the Minister of Municipal Affairs (Mr. Grandmaître) in connection with his release of the information that he will be establishing an advisory committee to review county government in Ontario.

Let me congratulate the minister, first of all, and say that one of the things I might recommend is a change in the title right from the outset, because not only is a review necessary for county government in Ontario, but I think a strengthening of county government in Ontario would be very much in order.

As the minister well knows, local governments in this province are the level of government most accountable to the people. They are closest to the people and they have a relationship with the taxpayer and the voters that is far stronger in many instances than that enjoyed by either provincial or federal politicians.

I think the minister recognizes, in undertaking this study, that local levels of government, being very careful with the taxpayers' money, are extremely accountable to the people. This level of government, if given the tools, if given the wherewithal to carry out the job, will do it very effectively.

I hope the member for Erie (Mr. Haggerty), who is going to serve as chairman of this committee, and the minister will take into account the very real contribution local governments, and particularly county governments, can make to Ontario, recognizing that the structure of those governments has not really been changed in many decades. It requires a review and a re-assessment of their role in terms of the priorities of government right across the province.

I urge the minister to make certain, when this study has been completed, that the county governments are given more tools and more wherewithal to carry out their roles and their functions in society in Ontario.

APPEAL OF COURT RULING

Mr. Rae: I want to comment on the statement of the Attorney General (Mr. Scott) today and indicate that I think the course he has chosen is a wise one and, in the circumstances, makes the most sense. However, I want to say one or two other things, if I may, with respect to this matter.

I have discussed this with the Attorney General, and he tells me the cases go another way, but I find it difficult to understand why it is that in 1987 we have to force the survivors of the Holocaust to prove it happened. If I can speak personally, to ask my wife's grandmother to establish that her entire family was wiped out by the Nazis strikes me as an incredible ordeal to ask of any one individual and an extraordinary ordeal to demand of a community.

I happen to think, further, that it is somewhat strange that the action that has been brought was brought under a very old section of the Criminal Code and not under the racial hatred sections of the code, which establish a less onerous burden of proof than the one contained in section 177, which was the section invoked.

Finally, I want to say to the Attorney General that I remain disappointed that his government has not taken upon itself a reform of the human rights statute that would finally deal with this question of group defamation and the spreading of hatred under our own human rights legislation.

I happen to believe, and it is a view that is shared by a great many others, that if we were to do that and to establish very clearly what the ground rules are with respect to group defamation and civil causes of action, we would make it possible to shut down the perpetrators of hate and make it financially impossible for them to operate and for them to spread their hatred throughout this province. I think we ought to be taking those steps.

But as I say, in the circumstances, I think the Attorney General has done what is necessary in order to deal with this awful perpetration of hatred in Ontario.

1400

AMATEUR ATHLETES

Mr. Hayes: I would like to respond to the statement made by the Minister of Tourism and Recreation (Mr. Eakins). On behalf of the New

Democratic Party, I join the minister in extending our heartiest congratulations to those superb athletes. They have certainly made us proud in Ontario. I hope we can continue to support all our athletes—the young, the not-so-young and our disabled.

Marilyn Darte, Kathy McEdwards, Chris Jurgenson, Jan Augustynn, Lynn Reynolds, Ben Johnson, Joanne Bouw, we wish you all success in the future and we salute you for what you have done on behalf of Ontario and Canada.

Mr. Breagh: I want to join in all the congratulations to the athletes here today. Ben Johnson happens to belong to the same track club as my daughter. Not only having enjoyed his great victories on television and at the track but also having watched them go through their daily practices, I can assure the government that with a little help there are lots of athletes and lots of people such as Charlie Francis to help make them world-class and the best in the world. With a little help, we will have a lot more Ben Johnsons in the future.

MUNICIPAL ELECTIONS

Mr. Breagh: Let me reply quickly to the two statements by the Minister of Municipal Affairs (Mr. Grandmaître). The first is on the final report of the Advisory Committee on Municipal Elections. The minister will know that we have supported that endeavour here for some time by means of resolutions and private members' bills. We hope we now have a final report and that we will not see a great many more task forces on the matter. We think the minister has provided enough time so that interested parties may comment, but we anticipate seeing legislation in the spring session of the Legislature so that we can deal with that matter.

COUNTY GOVERNMENT

Mr. Breagh: I want to make one brief remark on the advisory committee on county government. We are not big fans of advisory committees, but on this one, although we have no objection to looking at the problems that are involved, I do not know what foul deed county councils have committed that they should deserve an advisory committee chairman such as the member for Erie. That is cruel and inhuman punishment indeed.

VISITOR

Mr. Laughren: Mr. Speaker, on a point or privilege: I know you will want to join with me in

welcoming to the gallery the mayor of the town of Onaping Falls, Bob Parker.

Mr. Speaker: I must remind the member for Nickel Belt that is not a matter of privilege. The appropriate time would have been during members' statements.

ORAL QUESTIONS

WESTERN COAL

Mr. Grossman: I have a question for the Premier. Given the Premier's lack of knowledge about the Heinz bill, which we talked about in this House last October, can he outline for the House this afternoon the position he and his government are taking on another bill of very grave importance to the people of Ontario, and that is the national transportation bill?

Hon. Mr. Peterson: I am not familiar with the particular item the member is talking about.

Mr. Grossman: Last week the Premier talked at some length here with an obvious great degree of confusion with regard to the issue raised by my colleague the member for Lincoln (Mr. Andrewes), the former Minister of Energy. I have in front of me a copy of the letter sent by the Deputy Prime Minister to the Premier, dated January 29, 1987, where he expresses his concern about the inability of the two governments to meet to discuss this very important issue. In this letter addressed to the Premier, to which he responded, the Deputy Prime Minister refers at great length on page 3 to the National Transportation Act.

I also remind the Premier that in answer to question 213 in Orders and Notices, he has indicated that Don Stevenson is paid \$91,500 a year "to improve communications on policy and public administration issues between Ontario and the federal government ... and presenting Ontario's position on specific issues." Is the Premier telling the House this afternoon that Mr. Stevenson has not briefed him and he is not aware of the National Transportation Act?

Hon. Mr. Peterson: We have been spending a lot of time dealing with cod lately. I am not sure exactly what the honourable member has in mind, but I am meeting with Mr. Mazankowski on March 2 and will be discussing items of mutual concern.

Mr. Grossman: With respect, we talked at some length last week in this House about the question of western coal. The Premier talked about take-or-pay contracts and the like. He talked about the interest Ontario Hydro still has in American coal; yet the most important thing in this whole issue of fighting acid rain revolves

around the national transportation bill, which would cut the cost of western coal being transported to Ontario.

Had the Premier read the minister's letter, he would have found out that one of the major points over which he wants to meet is precisely to make the point that if this legislation passes, it will dramatically reduce the cost of coal and, therefore, help in the reduction of acidic emissions from Ontario Hydro units.

To find this afternoon that the Premier is not aware of the piece of legislation, given Mr. Stevenson's presence and the letter he received, I think is really an incredible position for him to take.

Given the fact that it will reduce the cost of shipping western coal to Ontario, given the fact that the government in Ottawa wishes to reduce that cost by passing the act and—I have to remind the Premier of this—given the fact that his federal colleagues are opposing this legislation, what is the Premier's position on the National Transportation Act?

Hon. Mr. Peterson: Do I assume from that the Leader of the Opposition supports everything his federal brethren in Ottawa do? I notice a lot of similarities, if he wants to know the truth on that matter.

My honourable friend will be interested to know that last evening I had a very interesting conversation with Premier Getty. We were discussing the coal matter, as I have discussed it previously with Premier Vander Zalm and others. He is aware that 30 per cent of our purchases now are western coal, and that is going to 57 per cent. He is aware of our take-or-pay contracts and the differential in terms of transportation.

As the member knows, it lands here about 47 per cent higher than does American coal. That being said, I will be discussing with Mr. Mazankowski any ideas he has to get the transportation costs down. We are prepared to work with anybody who has any sensible ideas. Our problem is that we have not seen many sensible ideas out of Ottawa these days.

TARIFFS ON SOFTWOOD LUMBER

Mr. Pope: I have a question of the Premier arising out of his conduct in federal-provincial relations and specifically his performance with respect to the softwood lumber issue. Last October the Premier was widely quoted as saying at the time of the announcement of the eight per cent to 10 per cent negotiated settlement that he was snookered by Ottawa. He had no idea of the

proposal until after it appeared in the newspapers. That was the position the Premier maintained for a month and a half. We finally got some clear answers out of the Minister of Industry, Trade and Technology (Mr. O'Neil) last Thursday during the estimates of his ministry in the standing committee on resources development.

Can the Premier explain how he can maintain that position when a Mr. Redgrave, who was negotiating for this government with respect to the softwood lumber deal, indicated that he and the Deputy Minister of Natural Resources had a meeting with federal officials at which the negotiated settlement proposal was discussed prior to the announcement?

Hon. Mr. Peterson: I am not familiar with that particular conversation or what the member is alluding to there, but I have recounted the chronology of events that transpired with respect to softwood lumber on many occasions. I told the member about the time when Premier Vander Zalm, followed directly by Miss Carney, came out with her proposal in the United States. It was subsequently discredited by her and a number of other people, and the member knows the events that transpired up to the events that we are now enjoying courtesy of the federal government in this country.

1410

Mr. Pope: Last Thursday we finally found out the events that transpired, because the Premier has not been willing to tell us or the people of Ontario what he was doing in October when he was negotiating this deal. Pat Carney made her announcement on October 1. For three weeks the Premier said nothing and now we know why. I will read some lines from Hansard.

"Mr. Pope: Once the deal was worked out, Pat Carney went ahead and publicly announced the eight to 10 per cent offer?

"Mr. Redgrave: Yes.

"Mr. Pope: Were you at that meeting with full authority to bind Ontario as you were asked to?

"Mr. Redgrave: I was not there to bind. Mary Mogford—" the Deputy Minister of Natural Resources "—was there to bind. She had the offer, which was then brought back for ratification and a letter went off to them."

The Premier agreed to a negotiated settlement, he agreed to a 10 per cent offer. He negotiated Ontario's participation in that offer and he never once told the House or the people of this province about it.

Mr. Speaker: And the question is?

Mr. Pope: How can he be such a double-dealer when 500 jobs are at stake?

Hon. Mr. Peterson: My honourable friend, as is his wont, is getting exercised about something a long time ago in history. As he will know, and I told him how the discussions transpired, that particular discussion, which we discussed, had nothing to do with the subsequent 15 per cent export tax brought in by the federal government. That is what we are living with today, whether he knows it or not.

Mr. Pope: We know exactly what happened. When 500 to 1,000 jobs were at stake, by the testimony of his own Minister of Industry, Trade and Technology, when the heat was on the Premier tried to deny the truth to the people of Ontario that he had gone along with a deal that would cost 500 jobs and he was not prepared to help them.

How can he have any credibility in federal-provincial relations when he says one thing in secret to the federal government and another thing in public to the press gallery and the people of Ontario?

Hon. Mr. Peterson: My guess is if the member had the advantage of sitting down with some of the people I sat down with last night to discuss federal-provincial relations, to discuss the relationships between our government and the federal government—not only our government but the federal government and other provinces—he would come to the conclusion very clearly that Ontario has had a sound, consistent position throughout. Indeed, the problems that are arising in federal-provincial relationships are because of a federal government that frequently changes its mind on these matters and does not take the provinces into its confidence but takes unilateral action.

If my friend is one of those who believes that federal-provincial relations at the moment are in a rocky state, the blame lies clearly in Ottawa.

CONTROL ORDERS

Mrs. Grier: I would like to raise with the Minister of the Environment yet another example of where this government's mishandling of negotiations belies its strong words.

The minister must be aware that the extension of the control order on Kimberly-Clark for three years has set a very dangerous precedent and indicates that there may well be repeated extensions of control orders and no effective hope of controlling pollution from pulp and paper companies.

A good example is the fact that just this week ministry officials are deciding whether the Domtar fine papers division in Cornwall should be given another two years to reduce discharges of suspended solids. This is a two-year extension of a control order that was first imposed in 1982 on a company where there is no suggestion of economic problems.

Can the minister explain to this House how he can even contemplate such an extension?

Hon. Mr. Bradley: As the member would be aware, there are discussions that go on from time to time on a number of control orders that expire and continue. All of the information that is necessary is provided. The company makes its case. Those who do not believe that is a legitimate case make their case and ultimately the ministry decides on what will be contained in that control order.

I want to assure the member that we will want to be sure that all the components of that control order are such that they will be environmentally desirable and that, ultimately, all the goals we have set will be met.

Mrs. Grier: I do not know whether to take from that reply that the minister is denying that his officials are negotiating a two-year control order or that he is signalling to us that his officials are going to negotiate a two-year control order and then he is going to get involved and the Premier and the deputy ministers are going to get involved and nobody will know where we stand.

Let me raise with him yet another example. On the same day he announced a three-year extension of the control order on Kimberly-Clark in Terrace Bay, the minister must be aware that he also issued a three-year control order for Kimberly-Clark in Spruce Falls. They have until January 1990 to study how to reduce loadings on the Kapuskasing River. The net income for the past two and three quarter years for that company has been \$57 million.

I think the minister owes it to this House to explain what kind of a signal that sends to the polluters in this province and why he allowed a three-year control order to be imposed on that company.

Hon. Mr. Bradley: As the member will be aware, in each one of the situations we deal with on a daily basis—she mentioned Spruce Falls in this particular case; as I recall, that company is undertaking studies to determine which of two methods would be superior in terms of meeting requirements. One they would go through is called an anaerobic method and the other is called a thermal process. There is a pilot study going on

at the same time in this situation, and the control orders we have and the requirements that will be met will be superior to what they would have been without this study.

Mr. Rae: The minister is the world's leading expert on anaerobics. I would like to ask by way of final supplementary whether he can also tell us about the control order at Boise Cascade in Fort Frances, which has until the end of this year to negotiate pollution control.

Can the minister tell us why he does not recognize that in each of these cases what has taken place is that the finagling that went on with respect to control orders at Kimberly-Clark has sent a message out to every single pulp and paper company in this province that the government of Ontario is going to be easy to convince, that the company does not have to comply, that control orders can be extended virtually indefinitely and that the pollution of the environment is something that the province is prepared to put up with?

Can the minister guarantee here in this House today that the control order which was put into place with respect to Boise Cascade in Fort Frances is going to be any different from anywhere else, or can the minister tell us it is going to be exactly the same as the pattern clearly developing right across Ontario?

Hon. Mr. Bradley: I can tell the member, first of all, that each situation is different in terms of the effluent that is produced, or the emissions that are produced in each of these cases, and we take everything into consideration when developing control orders. He will also know that we are attempting to mesh the requirements which relate to such things as biological oxygen demand and toxicity with the requirements which will be related to the municipal-industrial strategy for abatement, in order that all these requirements can be appropriately met.

I find it passing interesting that the member can stand in this House and lecture me. I am not the kind of person who brings this type of observation forward, but when it is in one of the ridings his members represent it is a little different tune. When one of his members can say that the company has done more than its fair share and then the member turns around in the House and says that not enough is being done, I think he has to get his act together over there.

1420

NURSING HOMES

Mr. Rae: I have a question to the Minister of Health. I wonder if the minister would like to comment on the remarks made by the president

of Consumers' Gas, Robert Martin, who announced at the annual meeting of his company that it was the intention of Consumers' Gas to move into the nursing home and retirement home business because he thought it was "a very good fit for the skills and attributes of Consumers' Gas." Can the minister tell us whether he thinks that is in fact the case? Are nursing home and retirement home care a good fit for the skills and attributes of Consumers' Gas?

Hon. Mr. Elston: I do not know what skills those people might bring to the operation of nursing homes. In terms of delivering services to individuals in the province, the style and content of the delivery of service and the opportunities for improvement in service delivery to the seniors of this province of many of our programs are adjudicated upon.

Mr. Rae: The minister may be interested to know that Mr. Martin felt the way he did "because of [Consumers' Gas's] reputation, orientation to customer service and experience with regulated industries"—in other words, knowing how to make money at the taxpayers' expense.

I would like to ask the minister if he would care to comment on the fact that in Sudbury 87 per cent of private nursing home beds are owned by one company, Extendicare; in Timiskaming, Extendicare owns 62 per cent of private nursing home beds; in Cochrane, Extendicare owns all the private nursing home beds; in the city of Windsor, 82 per cent of private nursing home beds are owned by two companies; and in Ottawa-Carleton, 82 per cent of the beds are owned by Extendicare and Beacon Hill Lodge.

There is a pattern going on here. It is quite obvious to everyone that the field of nursing homes is seen as an area to make money. It is an area of greater and greater concentration—

Mr. Speaker: Question.

Mr. Rae: Just what does the minister intend to do to stop this kind of concentration and to stop the ripoff of Ontario consumers when it comes to the provision of health care in Ontario?

Hon. Mr. Elston: I think the question is a timely one, and if we got forward with the deliberations on the amendments to the Nursing Homes Amendment Act, which the members have already seen, we would be able to deal with the question of concentration. I am pleased the honourable gentleman has asked the question. I can again underscore our concern with the fact there are opportunities for concentration which we could not deal with before. From my

standpoint, for us to move ahead and address those amendments would be of some help. We have already moved to express our concern about concentration. We are moving in a manner which will allow us to make some decisions with respect to the operation of nursing homes in the province on the basis of public interest criteria.

Mr. Rae: The minister gave the answer I anticipated he would give. Can the minister explain why an announcement was made for the delivery of 1,000 new beds—bids are being accepted in regions across the province—in many parts of the province where there is virtually no choice, even between different profit operators and certainly no choice of nonprofit operators? If the minister is so concerned about corporate concentration, why has he been so unaware of the intentions of Consumers' Gas? Why has he announced 1,000 new beds when he does not have the power or the means to deal with the question of concentration now, and it is perfectly clear he does not intend to do anything about it?

Hon. Mr. Elston: The gentleman again is wrong. He is absolutely, totally wrong, as is his wont on many occasions. It has been expressed in the manner in which those amendments are drafted that we are encouraging people to increase the level, degree and quality of service delivered to our seniors. It is absolutely clear to the people of this province that we are concerned about the way in which services are delivered to the seniors.

My colleague the Minister without Portfolio responsible for senior citizens' affairs (Mr. Van Horne) is doing work co-ordinating the efforts of government to improve the lot of seniors right around the province. We are issuing calls for proposals to be made with respect to operation of nursing home beds, and it seems to me the indications are very clear indeed that the proposals will look to put priority on not-for-profit applications. In fact, we have already issued new beds to not-for-profit organizations.

I went to eastern Ontario not long ago, to an area in which there were no beds whatsoever. I was met there by two community groups that now are forming on the basis of interest in operating those beds, and are ready, willing and able to address themselves to the manner in which services are delivered to their seniors in their communities.

TECHNOLOGY FUND

Mr. Gillies: I have a question for the Premier about the multimillion-dollar scandal he has caused at Exploracom. The Premier and the

Treasurer (Mr. Nixon) have hung their decision to renege on their commitment to this project on a Coopers and Lybrand report that they have consistently refused to table in this House. This report now has been leaked to a Toronto newspaper.

I would like to bring the following points to the attention of the House. The Premier has said he reneged because the Coopers and Lybrand report cited a lack of private sector financing and the project was financially out of control. Neither the leaked version of the report nor the comments of Mr. Schwartz or any of his board members would corroborate the Premier's conclusions whatsoever. Is the Premier going to stick to his original story or is he going to come clean with this House and table the report so we can get the facts behind this matter?

Hon. Mr. Peterson: I will stick to my original story and come clean with this House. It is exactly as I said it was.

Mr. Gillies: The Premier's premature award of this commitment and his premature reneging on the commitment has had the following effects: he has disrupted the lives of 44 employees and their families; he has cost his friend Mr. Schwartz at least \$3 million; he has opened the province up to potentially very expensive legal actions; he has left a lot of people in this province wondering whether his word is worth the powder to blow it to Hades. Why does the Premier not shine some light on this matter and table the report so the members of this House can draw their own conclusions?

Hon. Mr. Peterson: The member has already drawn his own conclusions. He drew one set of conclusions originally and he is drawing another set of conclusions now based on part of the report in the newspaper. My honourable friend will draw conclusions no matter what happens and no matter how erroneous those conclusions are. As I said to my friend, it is in front of the courts and in the hands of the lawyers and I do not think it is helpful to discuss it in this House.

Mr. Gillies: We have to drag it out in the Toronto Star day by day by day.

Hon. Mr. Peterson: That is fine with me.

IMMIGRANT WOMEN'S CENTRE

Ms. Gigantes: I have a question for the Minister of Health. I do not need to remind the minister of the quality of service and the unique service being offered now by the Immigrant Women's Centre mobile health program, which has reached out to thousands of women in the city

of Toronto and provided them with basic health information and service in their own language for the first time. I would like to ask the minister why he has not provided public health funding through his ministry for this program.

Hon. Mr. Elston: The Ministry of Health funds the immigrant women's health clinic, but it has not found the mobile clinic to be a part that is supportable from the analysis done within the ministry. I understand from information brought to my attention that last year the clinic served 110 people for the full year. That may or may not be the absolute, but that is what I have been advised by my officials. We have funded the operation of the health clinic; however, the mobile clinic has not been one of the items we have funded.

Mr. D. S. Cooke: This matter was first raised in the Legislature last November. There was an offer for the minister to meet with this group and he refused at that time to meet with the officials from this organization. Maybe he would have the facts by now if he had met with them. Is the minister reconsidering the operating grants for this facility or is he not? Is he prepared to see one of the major outreach organizations in health go broke and quit operating in this province, or is he prepared to come to its aid and announce that aid today?

Hon. Mr. Elston: I am not announcing the aid today. In fact, we are announcing nothing. We are doing the analysis that is required. There was a meeting held today between the people from the clinic and members of my staff. We understand there was a mixup in terms of application for the rent money, which was part of the member's press release. That is not a difficulty. I am very positive to that request.

With respect to the operation of the mobile health clinic, we have to assess the funding that is required for that on the basis of how much outreach we can actually accomplish with it. It appears to me we have other options that may be more beneficial in relation to the service. The clinic itself is very commendable and the things it does are very commendable, but I have some difficulties with respect to funding a mobile clinic that for a substantial time is parked and not in operation.

1430

PUBLICATION'S CARTOON

Mr. Polsinelli: I have a question for the Attorney General. I have shared with the Attorney General a highly offensive cartoon that has been brought to my attention by the Canadian/Italian Advocates Organization. This

cartoon appears in the January 16 edition of Ontario Lawyers Weekly and depicts characters of apparent Italian origin as not only being criminals but also being manipulative of lawyers and thus of the law. As such misleading, prejudicial depictions of ethnic clients are harmful not only to society but also to the integrity of the legal profession, I ask the Attorney General whether he will investigate the propriety of this matter.

Hon. Mr. Scott: The honourable member was good enough to show me what we call the cartoon. It is, in my opinion, an offensive reference to Italian Canadians.

The Ontario Lawyers Weekly, as I understand it, is a commercial bulletin issued, as you would believe, weekly. We will examine it to determine if any offence has been committed, but I think probably no offence has been committed. But the cartoon I have here does raise the question of when we are going to stop making stereotypical assumptions about Canadians of various racial or religious groups, because that is what that is.

Mr. Polsinelli: John Capo, president of the Canadian/Italian Advocates Organization, writes:

"The publication of such a cartoon continues to perpetuate the mythical association of a large group of Canadian citizens with criminal activities. As lawyers and Canadians, we cannot tolerate such prejudicial assertions by you or anyone else."

In the light of the serious concern expressed by Mr. Capo, is the Attorney General prepared to inquire as to whether the ethics committee of the Law Society of Upper Canada will also be prepared to investigate this matter?

Hon. Mr. Scott: I will be glad to refer the matter to them.

INVESTIGATIONS

Mr. Pope: I would like to ask a question of the Premier with respect to prompt action, which is required in a number of matters. The Attorney General (Mr. Scott) quite rightly took prompt action on the Zundel matter.

I would like to ask the Premier why prompt action is not being taken with respect to the PEC Financial investigation by the Ontario Securities Commission, which was started in August 1985; the LSI Applications matter, started on November 30, 1986; the Wyda Systems investigation, which was started by the Ontario Provincial Police on December 11, 1986; and the Vaughan land sale investigation, which was started in November 1986? Why are we not getting prompt

action on all of these matters, which involve some allegations with respect to political involvement?

Hon. Mr. Peterson: I think all those matters are being dealt with as was discussed, and promptly and expeditiously.

Mr. Pope: We have had no conclusions to those studies. We have not seen the Coopers and Lybrand study with respect to Exploracom; the Premier refuses to issue that. Now we cannot get any direct answers out of the Ontario Securities Commission and the OPP. Are he and his partisan Attorney General putting a gag order on the OPP now?

Hon. Mr. Peterson: I understand partisanship, and that is fair enough. I understand the conclusions the member would draw or like to draw in these circumstances, and that is fair enough.

But I say to my honourable friend, particularly as a former Attorney General, that it is a very serious charge he has made against the Attorney General that he is putting a gag order on the OPP. My honourable friend, particularly as a member of the bar and one who is learned in the law, would want to be much more careful than he is at the moment in his very promiscuous and flippant allegations that he is so comfortable making in this House.

HERITAGE LANGUAGES

Mr. Grande: My question is for the Premier. I am sure he is aware that Bill 80, the so-called heritage languages bill, a private member's bill, passed second reading in the Legislature on December 18. As well, on that day, a unanimous decision was taken by the Legislature to order the bill to the standing committee on social development. Does the Premier have any problems, any concerns with the unanimous democratic decision taken by this Legislature on December 18?

Hon. Mr. Peterson: If I may, I will refer that to the Minister of Education.

Mr. Speaker: Referred to the Minister of Education?

Interjections.

Mr. Speaker: I will just wait until the private conversations are ended.

Hon. Mr. Conway: As has been indicated on behalf of the government, we are very anxious to improve the heritage languages offering in the province. There was a debate, as the honourable member indicated, in private members' hour here some six weeks ago, in which the views of the Legislature were indicated. I have subse-

quently indicated to the honourable member and to others that we in the ministry are reviewing that debate and, more important, we are reviewing the whole heritage languages policy and program that has developed over the years.

Yes, we are most anxious to move forward, but as the honourable member knows, we must do so in a consultative fashion. There are a number of issues that attach to his particular private member's bill that raise very serious issues. I expect very shortly to be releasing a paper on the whole question of the heritage languages program, at which time I am sure the honourable member, and others from Kenora and elsewhere, will want to engage very positively in this debate.

Mr. Grande: My supplementary question is to the Premier. I would like to find out—

Mr. Speaker: Order. If you wish to place a supplementary to the Minister of Education, that would be in order.

Mr. Grande: Mr. Speaker, since the Premier has had the Minister of Education speak, through the Minister of Education I can—since the Premier has already listened—

Mr. Speaker: Order. I am sorry; the honourable member may not have heard the ruling I gave yesterday. The question must flow out of the response; therefore, the question must go to the minister who made the response. If you wish to place a supplementary question to the Minister of Education, that is in order.

Mr. Grande: I would have thought that if I asked the question of the Premier, then the Premier could ask the Minister of Education to answer. Therefore, my supplementary question is to the Minister of Education.

Mr. Speaker: Fine.

Mr. Grande: Since obviously the Minister of Education did not see fit to answer the question I put to him, I will ask him again. Does he have any problems with Bill 80? Does he have any problems with Bill 80 going to the social development committee? If his answer is that he does not, then why is it that his members on the social development committee have voted in opposition to the bill going to the social development committee, a decision that was unanimously taken by the Legislature of this province?

Hon. Mr. Conway: I want to say to my friend the member for Oakwood that over on this side we have no problem whatsoever in advancing and supporting heritage languages. My colleagues from ridings such as Downsview,

Yorkview and elsewhere have been very positive in that respect. I can tell the honourable member that, as he knows, it is for the standing committees of this assembly to order their own business. The honourable member knows that under the very capable leadership of the member for Scarborough West (Mr. R. F. Johnston), the social development committee will be doing that. I do not propose to tell the social development or any other committee of this assembly how to organize its business, as I am sure the member would want me not to do.

1440

LABOUR DISPUTES

Mr. Hennessy: I have a question for the Premier in his capacity as the Minister of Northern Development and Mines.

I was informed this morning that contract talks between the union and representatives of the Great Lakes Forest Products Thunder Bay waferboard operation broke down yesterday due to contract language. Because of that, prospects for the 150 jobs that are hanging in the balance do not look too good.

As Premier and as the minister responsible for northern development, will he step in and assist Dr. Rosehart in his attempts to expedite the situation so that these 150 people can go back to work?

Hon. Mr. Peterson: My understanding is, and I stand to be corrected, as I am sure the honourable member will correct me if I am wrong, that Dr. Rosehart is already apprised of that situation and is talking to both sides. There has been some breakdown, but we are hopeful he will be able to get them back talking. It has not been an easy road, as the member knows.

Mr. Hennessy: Dr. Rosehart informed the Premier last August, nearly half a year ago, that the waferboard mill could be reopened. Considering that his own Treasurer (Mr. Nixon) has admitted he is sitting on nearly \$1 billion of provincial surplus, when will the Premier step in to assist 150 laid-off waferboard mill workers in the same manner as the government assisted the 200 laid-off workers from the Ear Falls area?

Hon. Mr. Peterson: I appreciate my honourable friend's concession, generously given in this House, that we have been working in a number of situations in northern Ontario, Ear Falls and others, to try to assist where the government possibly can.

It is quite clear. We are on the record as saying the government is prepared to assist in the modernization of that waferboard factory in

Thunder Bay. Very sensitive discussions have been going on for a long time on that. Unfortunately, I am not in the position personally to accelerate that any more.

I say to the member, and I hope he will convey it to his many friends and admirers in Thunder Bay, that the government is ready to participate at the appropriate time. That means getting the proper agreement between the union and management. Relations are better than they were. Talks have been coming along, but unfortunately it is slower than both the member and I would like. However, we are there, ready to help.

Mr. D. S. Cooke: I have a question for the Minister of Labour. Yesterday my colleague the member for Essex North (Mr. Hayes) and myself were on the picket lines at Maple Leaf Monarch, a company that is on strike in the minister's riding and is going to be hiring scabs.

I would like to ask the minister's position. Does he support the hiring of temporary workers when a legal strike is on? In particular, does he support the hiring of scabs at Maple Leaf in his own riding?

Hon. Mr. Wrye: The honourable gentleman will know that there have been no scab or replacement workers hired at Maple Leaf Monarch as of this date. The honourable gentleman will also note that very serious mediation efforts will resume tomorrow morning and that a number of very senior officials of the ministry, including the assistant deputy minister, have been involved. The honourable gentleman will know as well that I have been involved in discussions with the parties on this very sensitive matter.

I do not think any useful purpose is served by making specific comments as we are about to resume negotiations. I know the honourable gentleman shares my view in hoping that this unfortunate dispute, which is some two weeks old now, will come to a swift and early and successful resolution and that tomorrow's mediation efforts will be successful.

Mr. D. S. Cooke: The minister will know the company has taken out ads in the local newspaper and went to the Manpower office to recruit scabs. The minister, who calls himself the minister for labour, is saying to us today that he does not have the guts to say he is opposed to the hiring of scabs in a legal strike in this province.

Is the minister or is he not prepared to say it is inappropriate to hire scabs when there is a legal strike on? If he is not prepared to say that, will he at least resign as the Minister of Labour and

indicate he is not fit to be the minister for labour, as he has claimed to be in the past?

Hon. Mr. Wrye: Frankly, I find some of these comments from my friend amusing.

Mr. D. S. Cooke: I find the minister's comments in the paper useless. He is useless as the minister.

Hon. Mr. Wrye: Sometimes I wonder whether my friend over there wants this matter settled or whether he would just like to see whether he can inflame things a little bit.

I can assure the House that every effort has been lent by me and my officials at the most senior level to ensure that this matter not be inflamed. I believe thus far, certainly as mediation talks get close to resumption tomorrow, there has not been the kind of provocation that those kinds of actions might have offered.

Right at this moment, we are reviewing the Labour Relations Act. The labour and business communities are well aware of that review and, as part of that review, this issue will come under very close scrutiny. The Ontario Federation of Labour has already made a number of useful proposals in that regard.

Mr. D. S. Cooke: Mr. Speaker, on a point of privilege: The minister has clearly imputed motives in my question in suggesting that I do not want a settlement of the strike. I would ask you to ask him to withdraw that comment.

Hon. Mr. Scott: You cannot take it.

Mr. Martel: Tell us about the workers who create their accidents.

Mr. Speaker: Order. It is not a point of privilege.

BEEF PRODUCERS

Mr. McKessock: I have a question of the Minister of Agriculture and Food. The Beef Producers for Change have been gaining considerable support throughout rural Ontario for their desire to improve the beef industry and the marketing system in Ontario. In view of the fact that we have been losing \$100 million a year in beef sales in Ontario over the last few years, will the minister inform me and the farmers of Ontario what avenues are available to these producers in their pursuit to set up a supply management system?

Hon. Mr. Riddell: I have met on a number of occasions with the Beef Producers for Change and the Ontario Cattlemen's Association. They are well aware of the machinery that is already in place, such as the farm marketing legislation and the Farm Products Marketing Board, which is

prepared to sit down and discuss with the producer groups any changes they would like to see in the marketing system.

As I indicated to the representatives of the Beef Producers for Change, if they are prepared to petition the Farm Products Marketing Board and discuss their marketing program, the board will indicate to me that there should be a plebiscite, in which case I would be quite prepared to have a plebiscite to get the expression of opinion from all the producers in this province.

Mr. McKessock: I understand that before they go to the Farm Products Marketing Board, there is something that has to be resolved, that is, the definition of a beef producer. If the Ontario Cattlemen's Association and the Beef Producers for Change cannot resolve this matter on their own, would the ministry people be willing to assist them in coming up with that definition?

Hon. Mr. Riddell: I hope that would be a last resort, because I am a great believer in the farmers of this province and the fact that they should be able to get together to arrive at their own decisions. As a matter of fact, the agricultural caucus met with the Beef Producers for Change this morning. I indicated to them at that time that they should be trying to arrange a meeting with the Ontario Cattlemen's Association to work out their differences on what a beef producer is.

If they would do that and then come back to this minister, we can put in place the definition of a beef producer in the event there is a plebiscite some time in the future. I am hoping the beef producers can come up with that definition. If they cannot, I guess I will have to do so, but I would rather it be the producers themselves.

1450

USE OF LOTTERY FUNDS

Mr. Rowe: I have a question of the Treasurer. On January 26, I sent him a note in the House, asking him when he planned to proceed with Bill 38, An Act to amend the Ontario Lottery Corporation Act. In his response he stated, "I do not know the answer to the question at this time." Since the Treasurer has had over a week to ponder his decision, I wonder if he would care to stand in his place today and tell Mayor Parker, who circulated a resolution calling for the withdrawal of Bill 38 to all municipalities in the province, when he plans to proceed with this ill-conceived legislation.

Hon. Mr. Nixon: The Orders and Notices is probably going to become null and void if we get

to prorogation. It is not my intention to call the bill this week, so the honourable member may have achieved one of his aims in that the bill will not proceed this session.

In saying that, I should bring to the member's attention that the bill would release the government from its commitment to spend the money that is raised for allocation to culture and recreation under Wintario and Lottario. The honourable member, although he probably would not admit it, is well aware of the fact that through the Ministry of Citizenship and Culture and the Ministry of Tourism and Recreation, we spend far more than that amount of money. If his worship the mayor were to hold the government to the strict letter of the law, we would have to reduce our allocation for that purpose. The honourable member is aware of that.

Interjections.

Hon. Mr. Nixon: It is factual. The honourable members in the opposition are moaning and groaning because they do not like the sounds of those facts, but that is the truth. It is an easy thing for the honourable member and his colleagues to peddle around, and in fact I regret that we have not been able to proceed with the bill. I do not intend to proceed with it until the mayors and other people in recreation commissions see that it would be to their benefit for us to do this.

Mr. Rowe: To quote the leader of the third party, I say to the Treasurer that is a bag of hooley. Before the Treasurer decides—

Interjections.

Mr. Speaker: Order. It depends how it is spelled.

Mr. Rowe: I hope the member for Wentworth North (Mr. Ward), who has been running around the province telling everyone that the government will not be proceeding with Bill 38, was listening to that response from the Treasurer.

Before the Treasurer decides to deprive Ontario municipalities of funding for recreational and culture programs, I think he should know that 96 per cent of the municipalities that responded to the resolution of the town of Onaping Falls want Bill 38 withdrawn and they want his commitment today. Why will the Treasurer not admit that he made a mistake and withdraw the bill as requested by Mayor Parker? The 400 and some odd municipalities that are opposed to this bill, including those in Simcoe Centre, deserve an answer before this House prorogues on Thursday. Will the Treasurer withdraw the bill or not? He is messing around.

Interjections.

Mr. Speaker: Order.

Interjections.

Mr. Speaker: Order. Once again, I will just wait. The members are wasting quite a bit of time.

Interjections.

Mr. Speaker: How long do I have to wait? Order.

Hon. Mr. Nixon: I cannot recall what the supplementary was, but that outburst was clearly the beginning of a new leadership campaign.

I simply say again we do not intend to proceed with the bill this session. I reiterate the commitment that was made every time the bill was brought before the Legislature or discussed publicly or privately. Our commitment to recreation and culture far surpasses any of the dollars that were allocated by the former government and will continue to do so.

Interjections.

Mr. Speaker: There are other members who would like to ask questions if you will allow them.

Interjections.

Mr. Speaker: Order.

BEEF PRODUCERS

Mr. Hayes: My question is to the Minister of Agriculture and Food. The minister was quoted in the Ontario Cattlemen's Association newsletter as saying that if the delegates to the Ontario Cattlemen's Association voted in favour of a nonrefundable dues checkoff by at least a two-thirds majority, he would amend the Beef Cattle Marketing Act accordingly.

I am sure the minister is also aware that the Ontario Cattlemen's Association does not necessarily represent all beef producers in Ontario. Will the minister take steps to settle this dispute by calling for a vote by ballot, have the vote supervised by staff of the Ontario Ministry of Agriculture and Food and say that only and all legitimate beef producers be allowed to vote, not just anyone who happens to purchase a ticket at one of the county or regional banquets?

Hon. Mr. Riddell: I guess the real question is to what extent ministers of the crown should be using referendums to arrive at decisions, or should the organizations representing the producers be making these decisions in the best interests of their own industry?

The Ontario Cattlemen's Association is the only organization representing beef producers

designated under the Agricultural Associations Act and the Beef Cattle Marketing Act. All beef producers have an opportunity for input into those meetings. They have been made well aware that there would be a vote taken at the cattlemen's association this February, the end of this month. They were advised to get out to those county meetings and cast their votes as to whether they wanted a nonrefundable checkoff. As I say, they have had an opportunity for input, including the opportunity to vote on the issue with their own democratically elected body.

Mr. Hayes: He did not answer the question. The minister is well aware that, because of the procedure that has been followed, the majority of beef producers right now are not pleased. They are not opposed to calling a vote but they want a legitimate vote called, not a farce such as what has happened now across this province.

Mr. Speaker: And the supplementary is?

Mr. Hayes: Will the minister assure us that he is going to make sure that this vote does not take place until all registered beef producers have the opportunity and the time to have a proper and democratic vote on this particular issue?

Hon. Mr. Riddell: No, this minister will not back up on his word. I assured the Ontario Cattlemen's Association, a democratically elected body and the only body designated under any act that we have, as the group representing producers, that if it made all producers in this province aware that this vote was coming and that they should be getting out to the county organization meetings to cast their vote, and if it got a 66.6 per cent vote in favour of a nonrefundable checkoff at the convention in February, I would be prepared to come into the Legislature to amend the legislation. That is the word I gave the association and I am not prepared to back up on that word.

1500

HOSPITAL SERVICES

Mr. Andrewes: My question is to the Minister of Health. On October 2, at the Action Centre in Hamilton, the minister said the following: "I would welcome the advice of councils on those programs and services which now exist and which in your estimation could be consolidated or eliminated because of our changing needs." In a speech to the Ontario Hospital Association on October 29, the minister asked the board members and administrators to examine all their services and programs to eliminate duplication and overutilization.

Were the same criteria used in responding to members of the Guelph community who have expressed concerns to the minister relative to hospital rationalizations?

Hon. Mr. Elston: With respect to the redevelopments that are being considered in Guelph, we are currently examining the options that have been presented to us. The honourable gentleman will know, having probably followed this over the past six years or so he has been here—it certainly originated much earlier than that—there has been a discussion at various levels in the city of Guelph and its environs with respect to how to determine distribution of the services that are provided in two facilities in that city.

At one point, we felt a resolution was arrived at as a result of consultation and the widest possible input from municipal leaders, private citizens, representatives of two boards and medical staffs. We have since learned, as the member already knows, that the agreement has not been carried through to an end.

As a result of the change of mind with respect to the reviews there, I have indicated to my people that we must analyse what is now being proposed to us. The plans that are being developed for that fair city with respect to the provision of health care must meet our requirement, which is the best possible care under the circumstances. I will not change that, but we will review what suggestions are being made with that criterion.

Mr. Andrewes: The minister will know that this issue is tearing the community apart, and it is looking to the minister for some leadership. Would the minister accept the recommendation of the Wellington-Dufferin District Health Council and appoint an independent fact-finder whose decision and recommendations relative to rationalization would be binding on the community?

Hon. Mr. Elston: The honourable gentleman is making a proposal, or at least is asking me about a proposal that came from the district health council. I do not find that particularly helpful at this time. I am indicating that it is not the honourable gentleman's proposal; he is bringing forward a proposal from this health council. The health council has a role to advise, and I accept the fact that it is advising me.

From my standpoint, with respect to a very important issue such as this, which the honourable gentleman has just indicated is causing certain problems in the community, appointing a binding arbitrator—from where, I do not know, and whose impartiality will not be questioned by anybody—is not the best way to approach

community needs. I am still inclined to work along with municipal leaders, with leading citizens in the community, with people who are writing me letters about the need for new health care facilities. Those facilities have been neglected these many years by other people.

I can understand that we would want the community to express its will and its needs to me so I can deliberate upon them, but I do not intend to inject an outside influence on those people without doing a very wide consultation indeed. I am sorry the honourable gentleman does not understand that the discussions internal to the community are absolutely essential to first-quality health care.

PETITIONS

SUNDAY TRADING

Mr. Harris: I have a petition to the Honourable the Lieutenant Governor and the Legislative Assembly of Ontario.

"We, the undersigned, beg leave to petition the Legislative Assembly as follows:

"We humbly object to Sunday store openings."

It is signed by several hundred employees and customers of the excellent Canadian Tire store in North Bay.

USE OF LOTTERY FUNDS

Mr. Rowe: I have a petition to the Lieutenant Governor and the Legislative Assembly of Ontario:

"We, the undersigned, beg leave to petition the parliament of Ontario as follows:

"Whereas there has been an extreme erosion of the provincial funding program to municipalities for recreation during the past five years...and whereas the level of funding currently being made available by the province is now totally inadequate for the requirements of this province...and whereas the Honourable Robert Nixon announced the government's intention to repeal the clause in the Ontario Lottery Corporation Act which designates proceeds to culture and recreation...therefore, we respectfully request the Treasurer to reconsider and withdraw this bill in the interests of continuing recreational and cultural programs for the residents of the province of Ontario."

It is signed by his worship Robert Parker, mayor of Onaping Falls, and locally elected officials from 400 other municipalities across the province.

REPORT BY COMMITTEE

STANDING COMMITTEE ON THE LEGISLATIVE ASSEMBLY

Mr. Breagh from the standing committee on the Legislative Assembly presented a report and moved adoption of its recommendation.

Mr. Breagh: This will probably be the first of a number of committee reports on the restoration of the building and I want to pay credit to the member for Essex South (Mr. Mancini), who chairs the subcommittee on members' services.

The subcommittee attended Harrisburg, Pennsylvania, where the state legislature has undergone substantial renovations lately. We have included in this report copies of information that we received there. They include some interesting proposals about networking of other people who are in a similar position of having a very old legislative building and attempting to restore and renovate it, dealing with the cost problems and dealing with advisory committees and historical societies. We recommend to the members of the assembly that they read those reports.

Very quickly, there are two recommendations attached to it that are the first steps in the entire process. The first would simply establish a committee consisting of the Speaker and the chairman of the committee on the Legislative Assembly and one person from each of the political parties at Queen's Park to operate as an advisory and operating committee. In other jurisdictions, it was felt that kind of input from members of the Legislature was essential.

The second recommendation is probably the very first step, and some of this is under way; it is that one would do a historic structure report. We have included copies from other jurisdictions. I suppose one would call it an inventory of building needs, of particular structural problems that have to be dealt with and of ways and means of finding people who could actually carry out the renovations.

We anticipate that there will be an opportunity at a future time for members of the assembly to debate this report and these two recommendations. To put it succinctly, the inevitable must happen. The building is old. It is in need of substantial repair, renovation and restoration. The choice will be either to do it in a logical, orderly way or the building will fall down around our ears. Those who travel the back corridors of the building will know that periodically this happens. The members should keep their heads up and read the report. We will be interested in

their comments on it. We hope that during the spring session, or perhaps as early as the Board of Internal Economy meeting, we will have an opportunity to look at this and at some time the House will have a chance to debate it.

On motion by Mr. Breaugh, the debate was adjourned.

1510

INTRODUCTION OF BILLS

GASOLINE HANDLING AMENDMENT ACT

Hon. Mr. Kwinter moved first reading of Bill 200, An Act to amend the Gasoline Handling Act.

Motion agreed to.

Hon. Mr. Kwinter: I am pleased to introduce amendments to the Gasoline Handling Act and code to ensure that all underground gasoline storage tanks meet safety standards. In addition to housekeeping changes, the amendments will require fuel suppliers to provide my ministry with locations of private outlets with underground storage tanks; provide for the registration of all identified outlets; and make it an offence under the act after January 1, 1991, for a supplier to deliver fuel to an outlet that does not meet safety standards.

These amendments are an important phase of our plan to make sure that underground gasoline storage tanks do not pose a threat to the environment.

CHILDREN'S LAW REFORM AMENDMENT ACT

Mr. McFadden moved, on behalf of Mr. O'Connor, first reading of Bill 201, An Act to amend the Children's Law Reform Act.

Motion agreed to.

Mr. McFadden: I am pleased to introduce, on behalf of my colleague the member for Oakville (Mr. O'Connor), who is away ill and in the hospital, the Children's Law Reform Amendment Act, 1987, which will provide a new mechanism for the resolution, by court-appointed mediators, of access disputes concerning children. Further, it will provide for access rights to be exercised through supervised access centres, if necessary.

This bill will also add to the factors considered by a court, in determining the best interests of the child, the importance of maintaining emotional ties between a child and his or her grandparents. I feel this will be a very useful addition to the law relating to children and their proper maintenance and upkeep in this province.

DRUGLESS PRACTITIONERS AMENDMENT ACT

Mr. Shymko moved first reading of Bill 202, An Act to amend the Drugless Practitioners Act, 1987.

Motion agreed to.

Mr. Shymko: The purpose of the bill is to ensure that naturopaths are covered by the Drugless Practitioners Act. The first amendment makes it clear that naturopaths are included in the definition. The second amendment makes it clear in the statute that naturopaths are a class of drugless practitioners under the act.

ORDERS OF THE DAY

Hon. Mr. Nixon: With the permission of the House, I would like to call order 24, which is listed second in Orders and Notices. We thought we would move that forward for the convenience of a number of members and then proceed to the Orders and Notices as listed.

I would also like to give notice to the members that, if possible, the government would like to call the Architects Amendment Act, Bill 197; the County of Oxford Amendment Act, Bill 178; and perhaps one or two others, but only by agreement. The ministers and the critics are undertaking some minor discussions on these matters.

PENSION BENEFITS ACT (continued)

Resuming the adjourned debate on the motion for second reading of Bill 170, An Act to revise the Pension Benefits Act.

Mr. Mackenzie: I have just a few words I would like to say on Bill 170, An Act to revise the Pension Benefits Act. This legislation is long overdue in Ontario.

I have some difficulty understanding why, in bringing in a rather major revision of the act, some of the most important items have been left out by this government, particularly when they are items that have been of a very high profile in this House. I am talking most specifically about the absolute necessity of indexing for pensioners in Ontario. I am talking about the issue of skimming—the surpluses that have been skimmed from private pension plans over the last five years—joint administration and some other minor changes. It seems to me these items should have been part of this legislation. We hope to have amendments in committee to deal with some of the shortcomings of the current bill.

It would take a bit of research to go back to just when the reform of private pensions heated up in

this House, but we had a very good debate—and I recommend it to many members of this House—on November 15, 1979, on a resolution I moved in the House to try to bring about some changes and reform in private pension legislation in Ontario. We had a fairly major debate on May 6, 1982, on the final report of the select committee on pensions. I raise those dates, and the fact that if one goes back to the Hansard one will find pretty extensive and good debates on those occasions, to point out that it has taken one hell of a long time to come to fruition in terms of legislation in this House.

We should not forget some of the figures raised in both of those debates. I think they are important and underline the need for things such as indexing and using the surplus funds for better purposes than they are used for now. When one takes a look at the fact that 10.6 per cent of attached seniors in 1983 were living in poverty and that 52.2 per cent of single seniors were living, in effect, in poverty, I think that tells us something about the situation they are in. Together, they are probably about 26 per cent of the seniors in Ontario.

Dealing with the issue of surpluses, it is important to understand that the surplus assets occur, as most of us will know, simply when a pension plan's assets exceed its liabilities. Surplus assets have developed because of inflation, high real estate rates and the massive layoffs in the early 1980s. In the past six years, companies have withdrawn almost \$500 million in surplus assets from pension plans in Ontario. In many cases, they have used these surpluses to increase their profits, to play the takeover game that is so popular today in this country of ours and, in some cases, to pay down long-term debt. It is estimated that the remaining surplus in Ontario plans exceeds \$10 billion.

The point that bothers me here is that the principle that pension funds should belong to employees and that surplus assets should be used to improve pension benefits was provided for in a resolution passed in this Legislature. Yet this government seems to have no intention of incorporating this into the legislation we now have before us.

I went back with some interest because, as I think I have said in this House before, it was always my feeling we had won the battle that pension contributions were in lieu of wages and that workers usually gave up cents per hour when those moneys were put into pension plans. It was something that was pretty well accepted by almost every member of that select committee

and in some of the debates we had back in 1979 and 1980 in this House. There was no real argument over it.

To show the extent to which that was accepted, I think it might be useful to quote from Hansard the words of one of the participants in that debate on November 15, 1979. I will quote some remarks made by the current Premier (Mr. Peterson) in the course of that particular debate on my own resolution. It is on page 4502 of the Hansard of the day. He said:

"I am very happy to see this debate initiated by the member for Hamilton East (Mr. Mackenzie). I am going to support the resolution as a statement of general principle that we do need the pension reform...fundamentally, the resolution is correct. We do need reform."

1520

Then I will switch over to page 4504, on the issue of to whom surplus funds belong. It reads: "I totally agree with the point made by the member for Hamilton East, or at least the point implicit in what he is saying, that the employer's contribution to the employee's pension fund belongs to the employee. I think there have been far too many companies that have totally abused it and used the pension plan as a form of bondage for the people who have worked for them. That should no longer be the case. I would like to see much tougher provisions, with legal entitlement to the employer contribution to that fund established far more quickly."

I do not know how one can have it any more specific or stronger than those remarks made by the former member, now the current Premier, back in November 1979. Yet here we are with Bill 170, which his minister and his government have brought forward. Do we see that remark, that firm comment that those funds belong to the workers incorporated in this bill? We sure as blazes do not. What we have is a raid that seems to be going on almost weekly on the surplus funds in pension plans in Ontario.

I think using those surplus funds for indexing or for additional benefits for pensioners in this province is an absolute must. I have difficulty understanding how we can argue and talk one way back in 1979 about something that was agreed to by all three parties, bring in a major revision of the pension plan legislation by that government under the leadership of the Premier who made those very strong comments, which we can all refer back to in Hansard those years ago, and now be told: "Hey, those surplus funds do not necessarily belong to the workers at all."

They belong to the companies. They are free to use them in any way they may see fit."

Sure we have a temporary freeze on it and we have a committee looking at it, but anybody in this House with an ounce of common sense knows that is simply a stall to take us beyond the next election. If they get lucky enough to come up with a majority, they do not have to pay any attention to what is being said by some of the opposition members in this House. I think it is a real insult to pensioners.

I remind the members of this House that the point I am making was one of the strong points made in the petition of 2,702 names that was turned in just the other day. That was done in about a week's time in Hamilton by the United Steelworkers Retirees, 110 of whom sat in this gallery just a few days ago. They want to know that there is going to be some form of indexing of pensions in Ontario. They want to know they have some protection.

If one went among those pensioners, a few of them are luckier ones who are very recently retired from Stelco and may have an income of \$1,000, \$1,100 or \$1,200 a month, but most of them have pensions that amount to \$300, \$400 or \$500 a month. They are really feeling the pinch in terms of the cost-of-living increases. They really do not have any indexing, except where they are over 65 and have the limited indexing that is there in the Canada pension plan and old age security.

It seems to me we are doing a disservice if we allow continued skimming and if we do not deal specifically with the issue of indexing of pensions for people in Ontario. The issue of joint administration is another one we are going to have to take a very serious look at.

The issue of early retirement and changes in the pension legislation that assist in early retirement are an absolute necessity. Fewer than five per cent of Ontario workers have a private sector plan that allows for early retirement at full pension. Under the new CPP, a worker may retire at age 60 with a permanent 30 per cent reduction in benefits. The average monthly benefit would be \$235. Nothing in the proposed Ontario plan offers any improvement in early retirement provisions of private plans.

We got a break with the recent federal legislation, which now allows workers to take advantage of retirement with the Canada pension plan at 60 instead of 65. We got this government to recognize, as it did after some pressure in this House, that if workers took advantage of that early retirement, they could lose the bridging

supplements in private plans, could forfeit the bridging in private plans. This government brought in a change in the regulations that supposedly took care of the situation. If a worker has them both, this would be reason for taking early retirement. I think that is of real benefit to some older workers who have been in hard industrial jobs and want retirement, as well as opening up jobs for younger workers in Ontario.

When we argued the case, we pointed out that Quebec had taken care of this situation when it brought in early retirement provisions under the Quebec pension plan some two or three years ago. They did it with "entitlement to or in receipt of," if I can use the operative words. We argued in this House that this should be the language in the changes that were necessary. We got the "entitlement to" but not the "in receipt of."

I am taking the minister at face value when he says it was not the intention to hurt anybody and that we will see a further revision, but it is an indication of a little bit of sloppy work. We already have General Motors challenging the workers' right in one of its plants where they were already in receipt of bridging benefits from the retirement plan. When we call the pension commission, they tell us there is a question whether it can be challenged now.

A worker, James McManus, a fellow I worked with in one of the shops, came to me a week or two ago. He now is on early retirement with bridging benefits in his own plan—his is a heavy job, with Slater Steels in the steel industry—he would like to take advantage of applying for the early retirement CPP. He cannot do it until we get clarification whether we still have something wrong with the regulations this government recently passed. There has to be a very quick resolution of that problem. It should have been done in the first place. I cannot understand why the drafting was as sloppy as it was.

To wind up, we support the bill. We will be bringing in changes through amendments. I want to underline once again how disappointed I am after the long time we have waited for reform and change after the very extensive and very good Hansard debates in 1979 and 1982 in this Legislature, after the almost unanimous consensus in the committee that surplus funds should be used for indexing or other pension benefits, and after the statement I read from the current Premier, who was pretty darn tough on the issue on November 15, 1979.

Why do we have the bill before us without resolving the problem, without ensuring that those funds belong to the workers? Those

payments were made in lieu of wages in most of the plants where I ever had anything to do with negotiations. Why do we not have the indexing? Why are we so short on joint administration proposals in this piece of legislation?

I am trusting that this government will have enough sense to understand that when we get this bill to committee and deal with it clause by clause, these are the kinds of amendments that should and must be made, and will understand that it has an obligation in terms of protecting the limited number of workers in Ontario who are have covered under private pension plan arrangements.

Personally, I hope the day will come, sooner rather than later, when we will take a serious look at some real improvements to public pension plans, because I think they are a much better answer than the heartbreak we have had dealing for so many years with private pension plans. They cover only about 40 per cent of the workers of Ontario in any event.

These amendments must be made. I want to put this government on notice that the public understands this. The pensioners understand it; there are tens and hundreds of thousands of them out there and their organizations are doing a job on it. The unions understand it. This government will resist these amendments at its own peril in Ontario.

1530

Mr. Grossman: If the minister will forgive me, it is with a special sense of pride that I rise to participate in this debate. As the minister will know, the proposals he has had the honour to introduce into the House emanate not from the last couple of weeks or couple of months or, to be fair, I do not think the minister would suggest even the last year and a half's deliberations inside the government. Rather, they emanate from discussions that began almost a decade ago, as the member for Hamilton East has pointed out.

These proposals went through a long series of discussions, white papers, green papers, federal task forces, provincial task forces, legislative discussions and legislative committees, finally culminating in a report coming out of the Ontario committee to the Ministry of Treasury and Economics several years ago.

At the Premiers' conference in June or July 1983 in Toronto, I was then Treasurer, and the 10 provincial Premiers, when we put this matter on the table for discussion among them, asked that I serve as national minister responsible for co-ordination of the 10 provinces in seeking

unanimity and uniformity in private pension plan reform.

From that appointment by the 10 first ministers in this country, I met on two or three occasions with my counterparts in other provinces, that is the ministers responsible for provincial pension plan reform. It was from the beginning of the process to the end a sometimes difficult process because various provinces disagreed, obviously, with some of the major proposals that were on the table.

I should pause to comment upon the fact that most of that work was done at the civil service level by the very excellent staff, mainly in the Ministry of Treasury and Economics at the time, working with their provincial counterparts to try to establish the appropriate consensus. A long educational process was involved and, of course, there was the traditional Canadian imbalance in terms of the difference in plans and the weighting of those plans for the employees, particularly obvious in the central Canadian provinces.

As a result of that process and two or three meetings with ministers, we were able in December 1984 to announce the package that is reflected in the document I have brought here with me today, Ontario Proposals for Pension Reform, which I had the honour of tabling as the then Treasurer in April 1984 and for which we got a pretty good national consensus around December 1984.

This document was seminal to that discussion, because for the first time it laid out the definitive Ontario government positions, as well as the arguments lying behind those positions, and allowed the other provinces to reflect upon these positions and their rationale. We also shared with the other provinces all the data we had that had gone into arriving at these conclusions.

As a result of that process, we were able to get a pretty good consensus by December 1984. At that time, we announced our intention in Ontario to proceed with this kind of legislation during the calendar year 1985. We were then ready to go with the proposals basically as outlined in this document, but also as further amended by the statement made by me at the conclusion of that December 1984 meeting.

Those recommendations were ready to go into legislation in 1985. The events of the fall of 1984 and the spring of 1985 made it impossible for that legislation to be introduced in 1985 by the then Conservative government. To be fair to the current government, it would have been difficult for the ministers involved in the first six months of their time in office, from June to December

1985, to be able to get a good enough grasp of the complex issues here, which are tough enough for any minister to grasp. So political events of 1985 made it difficult to proceed with the consensus arrived at in December 1984. However, all of 1986 has passed, and I think it would have been appropriate had the government been ready to proceed a year ago today. I can see no excuse for not having been ready at that stage.

The bill that has been tabled, which we are discussing today, is with a few exceptions—and I have a note of the rare exceptions—precisely the document as agreed upon in December 1984. By and large, these are the proposals the previous government agreed to, which I had established with my colleagues across the country. With respect, to move from that document through to cabinet consideration and drafting of the bill before us today should not have taken a year and a half. At the very least, the minister could have been ready to proceed a year ago, and we could have spent six or eight months in 1986 dealing with the bill. It should be law today. Having said that, we have it only now, and we are prepared to deal with it.

I should say in a personal way to the minister that I have had occasion, as have my colleagues, to take some exception to the way some of his colleagues have handled certain matters in terms of professional courtesy. I have never had that complaint with regard to the Minister of Consumer and Commercial Relations and Minister of Financial Institutions (Mr. Kwinter). He has always been quite courteous and forthcoming to me personally whenever the opportunity has presented itself.

It is for that reason I would draw to his attention the fact that I would have hoped that in introducing the legislation he might have gone a tad of the way down the road by way of acknowledging that the bulk of this work, to be fair, had been done by his predecessors. I say that not because I was the second last of his predecessors, but because the volume of work necessary to arrive at this point was monumental. It would have been appropriate in these circumstances to have acknowledged that work.

I devoted an excessive amount of time to trying to get this done in my short year and a half as Treasurer. Indeed, from the time I was appointed Treasurer until the time Mr. Davis announced his retirement was only a matter of 14 months. One of my proudest accomplishments is that in that relatively short period, we were able to produce the document and every one of the proposals that are reflected in legislation today.

I hope the minister will follow the pattern he has established in his own conduct of affairs; that is, as this bill reaches fruition and ultimately is passed, he will take a moment to acknowledge the numbers of hours and the excessive amount of work others put in before he arrived in his responsibility as being the one to table a piece of legislation which, in fairness, was largely developed by his predecessors.

Having said that, I am delighted the government has adopted almost totally the recommendations of the previous government in this area. I want to talk briefly about one or two of the most controversial aspects: inflation and protection.

This was a formula I was able to work out among Ontario pension plan operators, the industry at large and all the experts in the field, with some help from other provinces. Candidly, most of the other provinces still shied away from this proposal. What ultimately persuaded me on the issue of the inflation protection we decided to put in the body of the report which has formed the basis of the legislation? In that regard, I refer the minister to page 43. I might read it into the record, because it is the most succinct explanation of the justification for inflation protection.

Page 43 reads as follows: "Inflation erodes the purchasing power of pension benefits fixed in nominal terms and this can impose severe financial hardship on pensioners. During the 10-year period 1972 to 1981, prices increased by an average of 8.8 per cent annually, and the real value of a pension payable in 1972 declined by 57 per cent. Even at low rates of inflation, the value of fixed pensions will decline significantly. Over 10 years, a three per cent annual inflation rate will erode the value of a pension by 25.6 per cent."

That latter point is relevant, because we are experiencing what we have now come to treat as relatively low rates of inflation, about four per cent. The report we issued in April 1984 points out that at three per cent inflation, over 10 years the value of a pension erodes by 25 per cent.

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It goes on to say: "The decline in the real value of a pension also represents an unfair redistribution of income among pension plan participants. As inflation reduces the value of pensions, it also induces higher nominal investment earnings, which can be used to lower plan costs, improve benefits or provide inflation protection for pensions."

Let me pause to emphasize this point. The report points out that, as inflation induces higher-than-expected investment earnings in a

plan, that inflation-induced surplus, shall we call it, can be used for a variety of purposes. To quote the report, it "can be used to lower plan costs," and we and the third party have talked extensively about that. It can be used, second, to "improve benefits" for active employees; or, third, it can be used to "provide inflation protection" for those who have already retired.

In simple terms, what has happened over the years is that that inflation-induced surplus has been used for the first two purposes but only on an ad hoc basis for the third; that is, the inflation-induced surplus has been sitting there and has been used either to lower the cost of the plan itself or to improve pensions for current workers who will be retiring later. What has not happened is that that surplus has been often enough distributed back to the people whose deferred earnings caused that surplus to be earned.

It is a redistribution, in very many ways, simply from the plan and current employees back to already retired employees who are not getting the benefit of inflation protection.

The report goes on to say: "A portion of the higher inflation-induced investment earnings originates from the accumulated savings of retired and deferred vested members of a pension plan"—precisely—"and should be used to escalate their benefits."

A portion of it comes from that source. That is one of the reasons we have advocated 60 per cent inflation protection.

"If this practice is not regularly followed, the pension plan is unfairly redistributing income from retired and deferred members to other plan participants." That is the crux here.

I guess if I had a second regret to express on what for me, as I said earlier, actually is a day which gives me an opportunity to rejoice a bit, both personally and for the pensioners of this province, it is this. We had announced in December 1984—and I will say this to the minister, with grave reservations on my own behalf—that we would introduce the legislation in 1985 but take perhaps six months to defer the inflation protection portion while we gave industry and business a chance once again to put this kind of 60 per cent inflation protection formula through their computers and determine for themselves what the true cost, if any, of this 60 per cent inflation protection proposal would be.

I was reluctant to do so at the time, because I must say to the minister there was nothing new about these proposals; they had by then been

talked about for many years. We had tested it through many plans. Treasury and Economics had been excellent in sharing all our information, and the industry at large had shared its information with us. It was based upon all those calculations that we deduced, as reported in the document, that what we were really talking about is redistribution not an increase in costs, by and large.

December 1984 arrived. We occasionally would get calls from fairly major and large pension plan operators, saying they were still convinced it would cost them an excessive amount of extra money. With a great deal of reluctance, I will say to the minister, I agreed then to give them six months to do it all again. We set up a process whereby the businesses could come in and share the details of their plans with us. We put it all through computers with them—their computers and ours, whatever—and determined the actual cost. That was in December 1984.

Now the minister comes forward in February 1987 and suggests that for inflation protection he needs a further length of time, a further study, a year perhaps, to do exactly what was agreed on in December 1984. When we get to committee on this legislation, we will be asking the minister and his staff what precisely has been done pursuant to that December 1984 understanding. Which pension plans came forward pursuant to that agreement? What did the minister learn from that agreement?

Before our party can agree to yet another delay in the implementation of inflation protection, we want to see whether the six-month period, which has now turned into a year and a half, was used to do the work that should have been done at that time. If now we are being asked by the ministry, the minister, the government or the private sector to delay implementation of some inflation protection for retired workers simply because the ministry did not get about doing in 1985 and 1986 what it was supposed to get about doing, that is patently unfair.

For that reason, I want to urge the minister this afternoon to have a look back at that understanding of December 1984, to see what was done, and instead of quickly agreeing to defer this matter another year, to ask the industry why we have reached February 1987 without that industry having a total and complete understanding of the impact of proposals that were first put forward in April 1984. Indeed, they were put forward a lot earlier than that, but they were first clearly flagged as the government's intention in April 1984.

With respect, it is a little harsh to say to the thousands of people who will retire this year on their current private pension plans that they will never get inflation protection for their pensions, because three years after the 60 per cent formula was first announced the pension plan operators have not gotten about checking it again in terms of cost and impact.

I remind the minister that the proposals he has before us are proactive, not retroactive. That means people who retire today will never get inflation protection during the course of their lifetime. When the bill is passed, if it includes inflation protection, future retirees will get that protection. Every day the minister decides to wait another year to study inflation protection, he gets thousands of people whose right to inflation protection is taken away from them for the entire length of their retirement, the balance of their lives. That is the impact of waiting upon another year for this. The minister cannot make it up to these people at the end of that period, because all the proposals are proactive.

I repeat to the minister that three years have passed. I hope when we get to committee the minister and the industry can satisfy committee members with regard to what work has been done in those three years and why they need further time to study proposals they have had and, I will say from personal knowledge, tested through the course of 1984 and should have been testing through the course of 1985 because of our declared intention to move during 1985.

I hope the minister will be prepared to deal with that point, because it will be seminal to our party's decision as to whether to accept the minister's proposal to defer for tens of thousands of people who retire this year the implementation of this package, or whether to implement it right away based upon the 1984 agreement and decision. It will take an overwhelming argument to persuade me—given what I knew about the industry and the work I did in 1983 and 1984—a very persuasive argument to convince me that we should delay inflation protection another year.

I urge the minister to do this and at least get his people working to try to shorten that time frame. If he feels, a year and a half after he has come to office, three years after these proposals were first announced, there is still work to be done in assessing the impact, if he has bought that argument, he has a tough selling job to do with the members of the committee.

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Second, I say these proposals are so well known, there has been so much time available,

that I believe if he sat his people down with the industry and said, "Look, 60 days from today, not 12 months from today, I want you to come to the committee with a full and complete analysis of the true impact on your pension plans, or else we are going to proceed," he would find that it would not be beyond their capabilities to do that.

I would go further. I would be surprised if there were very many major pension plan operators in Ontario who have not already done the mathematics; if they have not, they have been very careless. I do not believe that is the case. Probably I would not be overstating to say all of the major pension plan operators. I would say that, to my knowledge, there is not one of them who would have failed to do the mathematics by today's date.

I hope the minister will ask them to come to the committee. If they have any concerns, they should be laying them out before the committee, not asking for more time to study. But they are today prepared and able to come before the minister and say, "Here, members of the committee, would be the impact on my pension plan," and the committee members can decide whether they are prepared to live with that impact and impose that cost.

I think the prudent way to proceed, given the length of time that has passed, is for the minister to take the initiative, write to the industry, write to all people concerned and say that, notwithstanding his previous inclination to defer a tough decision, all persons who believe inflation protection should be either changed, that the 60 per cent formula should be changed, or, would you believe, deleted—which I could not imagine—should be prepared to come with all their data, all their information, all their analysis and all their cost impacts to the committee when this bill goes to clause-by-clause discussion.

That would be the appropriate response at this stage. Otherwise, we will be back here a year from today with people telling the minister that after four years they have not been able to assess the impact that they should have been able to assess after six months, let alone three years.

That is my view on inflation protection. I hope the minister will consider it in the spirit in which it is offered. In speaking for my party, I have such a personal interest in these proposals that I can assure the minister we will not be seeking political posturing on this issue. We will be delighted if the bill passes. We understand the way the system works. The minister will have the opportunity, if his leader decides not to have the election they are filming for in the hall this

afternoon, to stand up some time and take credit for the passage of the bill.

We will try to share credit, and I think all members of this House will have earned the right to so do, but we will not seek political posturing on this. We simply seek the fairest and most balanced system of private pension plan reforms we can arrive at. I have been where the minister sits on pensions. I know it is a tough decision. I know the pressure being brought to bear to go slow. I believe, however, having listened to those arguments for a long period of time, that what we are talking about in inflation protection is a redistribution, not a greatly increased impact in terms of costs.

I believe that when the minister reflects upon the paragraphs I read from page 43, the impact it has on the retired people, the fact that over the next year the government's delay will add tens of thousands of people to the rolls of those whose pensions will never be protected from inflation, it is incumbent on the minister to take the hard, firm position, make the tough decision. I suspect that, having listened to the views from all sides of the House, if the minister decided to take the tough position, he would likely be sheltered from the political impact of that decision.

It falls on the minister's shoulders to do that. The very least he ought to do is to force those who have reservations about inflation protection to come with the information, which they certainly must have in year 10 of the pension discussions; in year four after we introduced as our recommendation in April 1984 our intention to proceed with 60 per cent; fully a year and a half after we indicated our intention to legislate in December 1984; and fully a year since the six-month reassessment period to allow them to check their facts again has expired.

If I could make one point this afternoon, it is that these pension plan proposals are long overdue. For whatever reason, it took this length of time. We have a good set of proposals. We will be speaking to them and amending some of them, but by and large we think they are strong. I had the honour to work on them. Let us not take any more time. Every day we delay, more pensioners lose for the rest of their lives the opportunity to participate in these reform proposals.

Mr. Rae: I very much appreciate the opportunity to speak in this debate. I must confess, listening to the member for St. Andrew-St. Patrick (Mr. Grossman), I have to grit my teeth a bit, bite my tongue and remind myself that the

enemy is over on the other side for the time being.

I heard much of what the Leader of the Opposition had to say and I listened with great care. He talked about how he has been there and how he is aware of the great pressures. What he did not say is that the pressures have their effect. One of the reasons this legislation has taken as long as it has is the fact that the private pension industry has attempted to put it off as long as possible.

I must also tell the Minister of Financial Institutions that I come to this discussion armed not simply with petitions and several discussions with my constituents but also with a very tough and exciting meeting I had with the Toronto Actuaries Club last week. Having addressed that particular gathering and listened to its questions, I have some understanding of the pressures being brought to bear on the minister as well as on the Treasurer (Mr. Nixon) and the government.

I want to tell the minister why I think it is time we made some very basic moves, which this legislation still does not provide for and which we have been discussing in this House for some time. The one thing the leader of the Conservative Party said that I agree with 100 per cent is that this has been going on for a very long time.

I know when the bill comes down and the legislation is passed it will be seen as Liberal legislation. I am aware of how these things operate and I am aware of the process of posturing and taking credit for particular pieces of legislation. It is a well-known historical phenomenon and, no doubt, one that will be repeated this time.

I think the government has missed an opportunity to do more than was available to us in 1984. The leader of the Tory party is quite right. This is the legislation he introduced in 1984. That is precisely the problem with it. I am very glad to hear now from the leader of the Tory party that it is the intention of the Tory caucus to make a move with respect to the question of indexing and surpluses. I hope that will indeed prove to be the case. I can tell the House our party will be moving amendments. We take these amendments very seriously and we look forward to dealing with this issue in the House and not seeing it permanently delayed the way it has been delayed.

Let us put this problem and this issue in some perspective. More than half the workers in this province do not have any kind of private pension. The number of seniors who are living in poverty is very great. The number of people who have

worked at various jobs all their life, perhaps even participated in a plan, and still do not have a private pension is quite extraordinary.

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In my experience in the last two weeks alone, I have spoken to workers who were laid off at Alcan in Kingston and Ferranti-Packard in my riding of York South. In all those cases there are plans, but they are what I would call minimal plans. They do not provide for a really secure pension and a secure future. I put that reality side by side with the fact that the value of those plans has increased exponentially over the last five years, put it next to the number of cases and exercises of corporate thievery on the part of those going back in and dipping surpluses and skimming off surpluses.

I think we can say that the field of pensions is one of the great examples where the democratic principle—and not simply some abstract principle but the democratic reality of our province—runs right up against the reality of private power, corporate power and corporate exploitation. It is fair to say that no industry has been as profitable or as successful in generating surpluses and revenues as the private pension industry; and no industry, with the possible exception of the insurance industry to which it is of course very closely related, has been more niggardly in the way in which it has spent money, contributed money to people and allowed people to draw benefits.

That is the reality of that field, the world in which the Minister of Financial Institutions and the leader of the Liberal Party are operating. In the face of that kind of world, this House has some very basic choices to make. We can either cave in to the force of that corporate pressure, which is exactly what the Liberal Party has done, or we can stand up to that corporate pressure and say, “We are going to start to exercise some kind of democratic control, some kind of new sense of accountability, of joint management of the money that belongs to the worker.”

There are two very differing views about pensions in terms of what they are. The private pension industry says a pension is a contract that is negotiated between employees and employers and that is—for the most part in those cases of a defined benefit—for a defined benefit, which benefit is paid upon the achievement of certain conditions. That is the beginning of it and that is the end of it.

I want to say to the House that this view is a classic 19th century description of a very different kind of reality. I see it in a different way

and our party sees it in a different way. The negotiation of a pension is part of a broader relationship between employers and employees. In many cases, it is something that is not even negotiated, but in any event, what a pension represents is a deferred wage.

What a pension represents is an attempt by workers, historically over the years, to create a degree of security for themselves when they stop working. The money that is paid into a pension plan, whether that money is paid in by an employer on behalf of employees or whether that money is paid in by employees themselves, is in a real sense the money of the worker, not the money of the employer.

Under the current law, an employee can work for less than 10 years for a company and be less than 45 years of age, get laid off by that company and find that the money that has been put into the plan by the employer does not accrue to him or her. It accrues back to the employer and forms part of the surplus. Even with the amendments being proposed by the minister, there is a two-year period during which a worker may have contributions made to a plan by an employer. Within that two-year period, that money does not accrue to the worker; it accrues to the employer. In a sense, the worker is working for free as far as the pension plan is concerned.

I do not like that. I think it is important for us to express to the minister once again where our philosophy with respect to the surplus comes from. It comes from the sense, a classic sense, that the money being paid into a plan is a deferred wage and accrues on behalf of the worker and not simply on behalf of the plan or the employer.

I want to say to the minister quite bluntly and clearly that the legislation fails to deal with the questions of surpluses, indexation and retroactivity. All those factors and all those problems go together. I might add that it also fails to deal sufficiently with the problem of part-time workers.

These arguments have been made very effectively by my colleague the member for Bellwoods (Mr. McClellan) and by others in the House, and I do not intend to go through all those arguments again. I want to make one point. I have heard the minister, and indeed many others, say in response to our demand for full indexing, an end to the surplus ripoff and an improvement of plans with respect to retroactivity and part-time workers, “If you make the conditions too onerous, the plans will disappear.” That argument has to be put alongside the argument of those who say, “If you make us clean up our

pollution, we will leave." It is always going to be a negotiating tactic on the part of big business to say, "If you do X, Y or Z, we will go."

I make my point to the minister very directly. Whether there is going to be a private plan has a great deal to do with a number of factors about the relationship between employers and employees in the broader economy. Once ground rules that everybody has to abide by are established, whether an individual company will have a plan has entirely to do, not with those rules themselves, because everybody has to play by those rules, but with something else, that is the competitiveness of the employment package being offered by one employer vis-à-vis another.

I think it is a very false argument for us to give in to those who say, "If you do this, I am going to cancel my plan." The answer to that is, "If you cancel your plan and others are providing a plan, you are going to lose your workers." I really do not believe the question of whether an individual company may have a plan has very much to do with how we devise laws with respect to the fairness of overall pension policy. It has much more to do with the individual worker's bargaining power and the overall condition and status of the labour market.

I want to close by saying private pension reform is important, crucial and long overdue. We want to give workers more control over their own money, the money we think is theirs, and we want to make economic democracy something that has some meaning in life for people. It is also important for us to remember that the other part of what needs to take place in this province is an attack on the inadequacy of pensions generally. In our view, we are not going to achieve that in the absence of a move by Ontario to a contributory plan that would be supplementary to the existing Canada pension plan.

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Every debate over pensions has taken place in the past 60 years—and I go back to the time of the original deal, if you will, that was made by J. S. Woodsworth with Mackenzie King, which allowed the King government to survive after 1926 and which led to the introduction of old age pensions. I suppose some might even say that was, in a sense, a precursor of the accord, since it was based on written correspondence between Mr. Woodsworth and Mr. King.

In every debate that has taken place in the last 60 years over pensions, the private insurance industry and the private pension industry have said, "We can do it better." Every step of the way there has, at times, come a government which

has had the courage to say, "It just is not good enough." I think what we need now, in addition to the kind of private pension reform we are talking about, is a broader attack on the problem of the poverty that afflicts so many of our senior citizens and on the inadequacy of pensions generally for people who have either been working or not in the labour market.

That is an issue that will not go away. We have to attack it. We cannot wait for the feds to deal with it, because they are not going to. The Canada pension plan, in and of itself, is not going to be enough. We are going to need another plan in Ontario. I look forward to the day when we have a plan in Ontario that will finally mean that when people retire in this province they can enjoy their retirement, they can have some fun during their retirement, they can take advantage of their retirement and not simply see their old age as a time of ever-increasing poverty and insecurity because of the declining value of their pension.

Hon. Mr. Kwinter: I am delighted to wind up this debate and to move on with what we hope to be major pension reform for the citizens of Ontario. Briefly, I would like to tell members how we got to where we are. I am sorry the Leader of the Opposition is not here. I will address some remarks to him, although I would prefer he were here to listen to them.

In brief form, I would like to tell members where we are. The Leader of the Opposition regretted the fact that he felt I did not give sufficient recognition to the work those who went before me did, and he in particular. I have no problem with that. I am totally grateful for the work that was done.

As a matter of fact, in dealing with this bill, I have often said one of the things we have had to deal with is that a great deal of work has gone into this bill and that it is a consensus document. It is a document that has been worked out after many years. The Leader of the Opposition says we are now into our 10th year of pension reform debate. This document is really a consensus document that has been worked out after much consultation with all of the provinces and the federal government.

The reason for the consultation is to do what we really have as our goal, that is to provide universal pension legislation that would enhance the ability of workers in this country to travel from one jurisdiction to another and not be penalized in any way because they went into a different jurisdiction. It was on that basis we proceeded with the bill.

The previous government and the third party were in favour of mandatory inflation protection, but they could not sell it. As the leader of the third party said in his address, they could not sell it even to that paragon of government reform, the Manitoba government; it would not accept it. They could not sell it to any other jurisdiction in the country. As a result of that, it was left out.

For the last 18 months, we have been working as quickly as we could on bringing forward the Pension Benefits Act. Members will know that, notwithstanding the fact that we were going to recess the House a year ago, I went the unusual route of having printed up a draft pension act so that we could get wide distribution and so that we could speed up the procedure.

At the time we did that, we were very cognizant of the fact—and I would have to be deaf, blind and stupid not to be cognizant of it—that everybody was concerned about the problem of surplus withdrawal and mandatory inflation protection. One of the reasons for the delay was that we were trying to resolve that problem. We were trying to get to the point where we could incorporate it into the bill. Unfortunately, there are problems, and there are some very serious problems.

We then got to the point where we did not feel we had a right to delay it any further, because the basic reforms that everybody has agreed to are absolutely critical and we have to proceed with them. It was on that basis that we brought forward the Pension Benefits Act, 1986, but—and it is obvious—we did not address mandatory inflation protection and we did not address surplus withdrawals. At the same time, we did announce we are committed to mandatory inflation protection.

The problem we have is—and the leader of the third party made some comments, but he neglected one very serious aspect of it—that only 38 per cent of the workers in Ontario are covered by private pension plans. Not only that, 70 per cent of all the private pension plans in Canada are in Ontario.

We have a situation where we have plans—and this is the key—that are voluntary. There is no compulsion on any employer to provide a private pension plan. The leader of the third party says the competitive situation will compel them to provide that plan, and that may be so; but it will not necessarily compel them to the type of plan, which he did not even refer to.

Where we have the problem, as I am sure all members know, is that we have two types of plans. We have a defined-contribution plan and

we have a defined-benefit plan. The plans we are talking about, and the only ones where surpluses can occur, are defined-benefit plans, where the plan's sponsor makes a promise to the employee that when he retires he will get whatever benefits are prescribed in the plan. That plan sponsor has the obligation, regardless of whether good times are there or bad times are there, to fulfil that promise.

Right now, because good times are here, we have some plans that have surpluses and we have other plans that have massive unfunded liabilities. Somewhere along the line, the latter are going to have to sort of pay the piper and contribute to their plans to bring them up to the level of requirement to fulfil their obligations.

The problem we have is that if we cannot bring the industry along with us, they will not cancel their plans but they will say: "We are going to go from a defined-benefit plan to a defined-contribution plan. We will put up our money. The employee, depending on the type of plan, either will not put up any money or will put up part of the money, and whatever that money-purchase plan purchases, that is what you get. If you lose money, too bad, and if you make money, that is what you get. We will honour our commitment by putting in the money."

I can tell members that certainly organized labour does not want that, and anyone who is looking at pension reform does not want that.

Mr. McClellan: You have never heard of reconciliation?

Hon. Mr. Kwinter: Of course I have heard of it, but the point is that we have a situation where pension plans are voluntary. There is no compulsion on anybody to go into a pension plan and there is no way to restrict him from converting a defined-benefit plan to a defined-contribution plan. What we are trying to do is to bring forward a piece of legislation that is going to serve the best interests of the people. We have also made that commitment to introduce mandatory inflation protection, but we want to make sure that when we do it we are not going to create as many problems as we solve.

As I am sure all members will know, and I know it really caused some chagrin in the third party's ranks when they found out, Cliff Pilkey, the former president of the Ontario Federation of Labour, agreed to participate in this process. He agreed to participate because he agreed it was a problem. What we did was to get Professor Martin Friedland, a responsible person, to chair this committee. We got someone to represent the

insurance companies because they are a player in this, and we got Cliff Pilkey.

We said: "Take a look at this and tell us how to implement it. We are committed to implementing it. Tell us how to do it in such a way that we can take everybody along with us." That is where we were.

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I would like to refer in all kindness to the comments of the Leader of the Opposition, who will know that he and I have a great personal regard for each other; I say that sincerely. His comments today, at best, can only be called revisionist. He stated at great length how they were ready to introduce mandatory inflation protection if only events had not overtaken them, that had those events not overtaken him we would have mandatory inflation protection. He asked why was I, as the minister, dragging my feet because every day I delay there are people denied pensions they will never recover.

Perhaps I can read into the record from February 13, 1984, a headline in the *Toronto Star* that states, "Index Pensions to 60 per cent of Inflation Rate: Grossman." It goes on to say, "Private pensions should be indexed to cover 60 per cent of inflation, the Ontario government has recommended as part of a sweeping package of reforms." It goes on to quote the then Treasurer: "The time for debate, the time for discussion has passed. The time for change is here."

So far, so good; no problem. That, of course, is what he said and I take him at his word. It was great and it was a very laudable goal. Had he followed through, we would have had mandatory inflation protection and all those people he now has burdened me with as being deprived of their pensions would have their pensions.

That was February. This is June 6, 1984. The heading of an article in the *Toronto Star* states, "Ontario Plans to Link Pensions to Cost of Living Grossman Says." It says: "Ontario will press ahead with plans to partially protect private pensions from the effects of inflation even if other provinces disagree, Treasurer Larry Grossman says." Then it goes on, "But Grossman vowed to go it alone if no agreement is reached by year's end."

It then went on to state: "Every other provincial cabinet minister who took the microphone expressed doubts about Ontario's proposal, which would use the consumer price index as a measure of the inflation rate and protect pensioners against 60 per cent of any increase. In other areas, however, the ministers reached agreement on advancing the decade-long debate

on pension reform to the stage where uniform legislation could be introduced in all Canadian provinces before next January." He then went on to say his provincial colleagues had asked for 'more time to examine the implications of that.' On June 6, 1984, he is still hanging in there. He is going to bring forward mandatory inflation protection.

On December 4, 1984, time is moving on and we now are almost a year past the time when he first announced it. It says, "Provincial governments are still far from agreement on whether to force employers to protect the real value of private pensions in times of high inflation, says Ontario Treasurer Larry Grossman, chairman of an interprovincial meeting of ministers seeking a uniform approach to pension reform."

Later on in the article, it states, "However, Mr. Grossman said the Ontario government's position is that inflation-induced earnings in private pension plans should be used to improve the benefits of those who have contributed to the plans or forgone wage increases in exchange for provision of pensions on retirement. Ontario government officials are prepared to devote more time and effort, both outside and inside Ontario, to explain Ontario's position 'so we do not simply walk away and say it can't be done.'... Mr. Grossman contended that the proposal is affordable." Not bad; still doing pretty well.

We then move on to December 4, 1984, same time. It says: "Opposition from industry and some provinces has forced Queen's Park to back down from a pledge to start pegging private pensions to inflation later next year, Treasurer Larry Grossman says. Ontario will press ahead with its indexing package at some future date, alone if necessary, Grossman said yesterday.... The private sector fears being saddled with costly programs, but Grossman said the concerns are groundless."

We then move to January 16, a full year almost from the time he first started and long after he said that had events not overtaken him, he would have been well on his way. The headline says: "Grossman Offers Pension Reforms—But No Indexing." The article notes: "Ontario will introduce major pension reforms this year, but the area of great concern to most pensioners, protection from inflation, will not be part of the package, Treasurer Larry Grossman says."

It later goes on to say: "'The provinces should be prepared to go with what we have got,' Grossman said in an interview after the meeting. 'Inflation protection certainly won't be ready for an early resolution.' Grossman said he could not

predict when indexing might finally be realized in Ontario private pension plans....

"In order to achieve the breakthrough, the provinces basically agreed to disagree on a number of fine points, such as the actual number of years it should take." It goes on to talk about how he had to back down.

What we have is a situation where when we hear the Leader of the Opposition, his point is: "We were ready to go, it was all set to go, but political events overtook us and we did not get a chance to do it. Now you do it." In effect, he is saying, "I tried to enter the fight and I could not do it. I will hold your coat while you go and do it now."

Mr. McClellan: Are you saying you cannot do it either?

Hon. Mr. Kwinter: No, I am not saying we cannot do it. I am saying we are committed to do it. What I am saying is that rather than get involved in a situation where we then start out with all these grandiose plans and then back out, we are saying we are committed to indexing. We have put together three responsible people who will advise us as to how to do it so that when we do it we can best serve the people of Ontario. We can make sure that the industry will go along with it and it will be something that is workable.

In closing, I would like to make one final comment. We have a problem that we are prepared to address. Members have to understand that when it comes to pension reform, the minute we deviate from the consensus, we create problems in those other provinces. They now feel, and we have seen it with the international business centres, that Ontario is a "have" province, and we have the federal government trying to divert other activities to try to redress the imbalance they perceive.

We have a situation where the other provinces are looking at Ontario, feeling that we have a competitive advantage and that some of the proposals we are putting forward are too rich for them and are going to create some problems for them. Anything we do will just accentuate that difference.

I can tell members that our counterparts will not be pleased; but having said that, we think that if 70 per cent of the plans are in Ontario that gives us the right of consensus just by sheer numbers. We have to be the leaders and the other provinces will follow along. We are prepared to do that. We are prepared to do that, but we want to do it in a responsible way, so that when it happens we can make sure that those people who are supposed to benefit will be well served by it.

Motion agreed to.

Bill ordered to the standing committee on general government.

REGIONAL MUNICIPALITY OF HAMILTON-WENTWORTH STATUTE LAW AMENDMENT ACT

Hon. Mr. Grandmaitre moved second reading of Bill 192, An Act to amend the Regional Municipality of Hamilton-Wentworth Act and the Municipal Elections Act.

Hon. Mr. Grandmaitre: Bill 192 makes an important amendment to the Regional Municipality of Hamilton-Wentworth Act. The legislation provides that starting with the next municipal elections in 1988, the regional chairman will be elected by the residents of the entire region rather than by the regional council.

Comme je l'ai déjà affirmé, ce changement n'est pas un fait isolé mais s'inscrit dans le cadre d'une stratégie d'ensemble. Ce gouvernement se prépare à entreprendre de nombreuses initiatives en vue de mieux renseigner la population sur les questions touchant son système d'administration locale et de donner aux autorités responsables le meilleur moyen de relever les défis de notre époque moderne. Ce projet de loi, qui porte sur le poste de président de la municipalité régionale de Hamilton-Wentworth, contient des dispositions régissant la procédure électorale à suivre et les modalités à observer pour pourvoir les postes qui peuvent devenir vacants au bureau du président.

This will be the first time for a region-wide electoral process. Municipal elections are ordinarily conducted by the clerks of the area municipalities without the direct involvement of the clerk of the regional municipality.

This bill provides that the clerk of the municipality with the greatest numbers of electors will be designated to conduct the nomination process at the time of the regular municipal elections. The names of the nominees will be sent to each of the other area municipal clerks, who will act as the returning officer for each area municipality. The area clerks then report their vote results to the clerk of the designated municipality, who will announce the total vote.

Another important provision in this bill ensures that each elector in the region may vote only once for the office of the regional chairman. If a vacancy should occur in the office of the chairman, the regional council will be permitted under this bill to fill it in the same way that vacancies in the office of mayor are filled under the Municipal Act, either by election or appointment.

If a vacancy occurs after March 31 in an election year, the position must be filled by the appointment within 45 days. Where a vacancy in the chairmanship is to be filled by appointment, a member of the regional council must be chosen. The new chairman must then resign his or her position as regional councillor, and that position must be filled.

Ce projet de loi contient également des dispositions relatives à l'administration interne qui tiennent compte des modifications déjà apportées au statut municipal de la cité de Stoney Creek et de la ville de Flamborough, ainsi que des changements touchant la structure des quartiers dans le cas de la ville de Flamborough.

This bill has the support of the regional chairman and council and a consensus among the area municipal councils. I am pleased to put forward this important legislation, which represents a considerable milestone for the region of Hamilton-Wentworth.

Mr. Dean: In addressing a few brief comments to this bill, I am speaking only on section 1 and those parts of sections 4, 5, 6, 11 and 12 which deal with the municipal elections in Hamilton-Wentworth as far as the election of the chairman is concerned. I am not referring to the other sections of the bill that deal with other details.

I agree with what the minister has said. I believe I stated in the House when he introduced the bill that the election of the chairman of the regional council by vote of the electors throughout Hamilton-Wentworth is supported by a majority of municipal councils and by a majority of the citizens who voted on the question in the municipal elections in 1985. I respect that expression of opinion, but I do not happen to agree with it. During my seven years as mayor of Stoney Creek—and therefore automatically as a member of the regional council—between 1973 and 1980, I gained considerable personal experience of the operation of the regional council and the regional chairman.

I will give a very brief history. Most of us who have anything to do with regions know that when a regional council was established by the provincial government, the first chairman was always appointed by the provincial government. In the case of Hamilton-Wentworth, that chairman was Anne Jones, who had been an alderman and controller on the city of Hamilton council for some years. She was chosen in 1973 to serve with the first council, starting in 1974.

It is interesting to note that thereafter Mrs. Jones was chosen by election from among the

members of regional council for the subsequent terms, with the choosing taking place in 1976, 1978, 1980 and 1982. I believe that was a tribute to the way in which Mrs. Jones fulfilled her function as chairman, particularly in the very difficult startup days of regional government in the Hamilton-Wentworth area, which had a really rocky road, more so than in many other regions.

I think it was a tribute in more than one way, not only that she was chosen. Because of her way of operating, a lot of the bumps and hollows were smoothed out. Although I have never been a 100 per cent fan of regional government, I believe it was the lesser of the two evils in our region, and probably in other regions, where the alternative would have been annexation by the major urban municipality. It was a tribute that the region worked extremely well, at least as well as any other region in Ontario and better than some. I want to pay that little tribute to Mrs. Jones and the way she operated.

The present chairman, William Sears, was also chosen by members of regional council in the same kind of secret ballot vote as before. I note that both Anne Jones, the former chairman, and William Sears, the present chairman, had been members of local councils when they were appointed to the position of the chairman of the region. In each case, the regional councillors had worked with these individuals in the municipality and in the environment that municipal government has. Members of regional council, in choosing who they felt would be the most desirable person to chair their deliberations over the term of the council, were not selecting an unknown quantity but rather were choosing a person, at least some of whose capabilities had been displayed in municipal government and were known to the members who selected the chairman.

As a consequence, I think I can state fairly unequivocally that the council of the regional municipality of Hamilton-Wentworth has been led competently ever since 1973, which has been apparent in the generally balanced manner in which the council has conducted its own business and in the results which have been achieved by the council in governing our region.

My purpose in relating this little background is to demonstrate that Hamilton-Wentworth has been well served by regional councillors elected by voters in our six municipalities, who in turn chose from among themselves or from outside the council an experienced person to chair their meetings.

It is difficult for me or anybody in this assembly to speak against direct election of any representative, because that is how we got here. My concern with the provisions of this bill, however, is that the constituency to be represented—that is, the regional municipality of Hamilton-Wentworth—is the size of six provincial ridings. I should enumerate them: Wentworth North, Hamilton West, Hamilton Centre, Hamilton East, Hamilton Mountain and my own riding of Wentworth. That is the constituency for which a person is offering himself or herself as a candidate and where the election will take place.

1640

This Legislature, in approving this bill, if it does so, will be establishing too large a territory as a constituency. It will be almost impossible for an ordinary citizen to run for the position of regional chairman if this bill passes. What will surely happen is that candidates for the position of regional chairman will be restricted to two groups of people: first, those who have large personal followings or considerable resources that will permit them to mount the necessary election campaign; second, those who fly the flag of a federal or provincial political party and can count on partisan political support.

We do not serve democracy in Hamilton-Wentworth by severely limiting the groups of people who are able, for practical reasons, to contest a position in a municipal election with any chance of winning. I submit that this bill will do that. Especially, we do not need the importation into municipal government of partisan politics as practised in provincial and federal governments.

There is another factor I want to mention particularly. Of the municipalities in Hamilton-Wentworth, the township of Glanbrook is the only one that has expressed severe reservations about the proposal. I quote from a recent statement by Mayor Helen Bell of Glanbrook: "It will adversely affect this municipality with a population of 10,000, the smallest in the region. I feel that candidates for chairman won't bother campaigning in the smaller municipalities. That isn't where the votes are."

I am not prepared to say whether that prediction will come totally true, but I believe this will tend to increase the domination of the council and of the business of the region by the central city of Hamilton, which has always been a concern to those of us from the other municipalities.

I do not believe this bill will improve the representation, the conduct of meetings or the

decision-making process in the regional council of Hamilton-Wentworth and I do not intend to support it.

Hon. Mr. Grandmaitre: I can understand the disappointment of the member. He said we should not repair or change something that is working well. What this bill is doing for Hamilton-Wentworth is simply adding a little more democracy in regional government.

The member told this House he was not a fan of regional government. That is number one. A lot of people are not great fans of regional government. What the ministry is trying to do is to improve the system, which has been in place for a number of years. The opposition members were in power long enough to dismantle any existing regional government in this province, but they never did. Everybody complained about it. The opposition complained about it. They had review after review. They had seven reviews throughout the province on regional government and never acted on one of them.

What this bill is trying to do is to add a little more democracy to the election or the previous way of appointing the regional person. It is only fair that if a level of government as responsible as the regional government spends 40 per cent or 45 per cent of our tax dollar, the person should be elected at large or in another way. In a referendum in Hamilton-Wentworth, 74 per cent of the people agreed the person should be elected at large. But it is not the referendum results that are driving me to improve the system—

The Deputy Speaker: Thank you. Your time is up.

Mr. Ward: I have just a few short comments. Certainly, the member for Wentworth (Mr. Dean) has an exceptional background and is quite an authority on this topic. For a number of years, I think he was one of the most vocal opponents of regional government back in the days of Stoney Creek, Saltfleet and all of those wonderful municipalities that used to exist.

The member for Wentworth, I think, knows full well that during the course of many of the reviews that were undertaken in the regional government structure in Hamilton-Wentworth, one of the most consistent themes when public opinion was canvassed in that regard was that the perception was that the system was not accountable. One of the factors in that concern was the very fact that the regional chairman was perceived to be either (a) a provincial appointment, which she was for the first term, or (b) an appointee of the city of Hamilton, which in

fairness she was not, but none the less, the perception existed.

If one accepts the rationale of the member for Wentworth that the outlying municipalities away from the city of Hamilton are not likely to have representation, on the basis of the huge numbers who live in the city, I think it ignores the fact that the council itself, which consists of 27 members, is dominated 17 to 10 by city councillors as opposed to former county councillors. I, for one, do not believe that any politician running at large in a constituency of that size could write off the concerns of over 100,000 of those constituents in running for the chairmanship.

For the very reasons for which the member for Wentworth objects to this proposal, I support the proposal. But I want to acknowledge the member's long-standing interest in the regional government structure, particularly as this is his swan song in this Legislature and he has served the region well, both here and at the regional level.

Mr. Dean: I would like to say just a word first to the comments from the minister. I think the minister is perceptive in noticing that the system is working very well now, and if it ain't broke, don't fix it. He did not say that, because his English is better than mine, but I am saying, "If it ain't broke, don't fix it." It is a fact that, concerning the system we have now, I admitted, I think quite freely, that I was not a fan of the original proposal, but I also stated it was the lesser of two evils. It has been working well, and it is not going to be any more accountable in practice—it may be in theory—just because of an election of a chairman.

For the member for Wentworth North (Mr. Ward), may I thank him for his kind words veiling the dagger inside the glove. I would like to correct a misapprehension that he in turn seems to have. He was speaking about the perception being that there was not accountability. The perception that the member has of my reasons for my objecting seems to need a little bit of correction. My objection was not that this measure in itself was going to make more likelihood of a Hamilton domination. My objection is that it is going to confine the number of candidates to those who have large resources or those who probably have partisan political affiliations. I do not think that is a forward step at all in municipal government.

Mr. Allen: I rise to support this bill on second reading. That is not surprising, since the minister has—I will not use the word "hijacked"—appropriated legislation that was in this chamber

at an earlier date, namely, Bill 39. With a little consultation, we have found a path to add a few amendments to it, to see it presented as a government bill and to accomplish a great historic objective.

1650

It is indeed a historic bill, as the minister has said. It does provide for the first time in this province the democratic election of a chairman of a municipal region. To my mind, it completes an evolution that began in 1974, when those regional municipalities were established. It was not the intention that, in the first instance, they be bound up with appointed chairpersons. In the course of time, those chairpersons have come to be elected by the councils in question. There is no reason the evolution needs to stop there or it needs to be a problem for the region, as the member for Wentworth appears to think, to move on to the next step and elect those chairpersons at large.

As a matter of fact, on the whole issue of accountability, the central question in our region surely is that there is no electoral forum in which regional issues can be satisfactorily debated among the people in those municipalities. Even if one disregards the whole question of status and legitimacy and the sense of relative worth and power the regional chairman has vis-à-vis the other mayors, which has been some small problem, I think, for the chairman of the region, the central and critical question surely is that the public in that region has never had a forum in which to debate and discuss the crucial and burning issues, as well as the less significant issues of the region.

This will provide them with that opportunity. It is precisely that, and not any question relating to the power of the chairman. The regional democracy will have been completed by the passage of this bill. From the first stage of the establishment of the Hamilton-Wentworth regional municipality, this question has been discussed. Over the past decade, a consensus has been increasingly and dramatically formed in all parts of our region, so that by the spring of 1983, the regional council itself was able to pass a motion which declared it formally in favour of this step.

At the same time, the estimable madame chairman of the region at that time, Mrs. Anne Jones, my former electoral counterpart and a person with whom I had a great combat in the last election, herself declared that this was indeed the proper way to go. The present chairman and the

present council have both declared themselves forcefully in that direction.

What does surprise me about the comments of the member for Wentworth is that he should praise all those people in terms of their capacity to deliver good government through those offices but totally ignore and reject their advice and considered opinion as to what is best for the completion of regional democracy, namely, the general election of the regional chairman. I would have thought it the better part of honouring them to have said that, notwithstanding his own disagreement, he bowed to their superior wisdom.

Of course, it is not only the council or the past or present chairmen who have expressed themselves on this question. We have had a widespread petition and then, finally, in the fall of 1985, at the time of the regional municipal elections, we had a referendum, which the minister has referred to, overwhelmingly supported by 74 per cent. While the referendum did not take place in every one of the municipalities, those two or three municipalities that did not incorporate the referendum question were themselves governed by councils which had declared for it. Therefore, the question of consensus is established.

With regard to the other issues, I must say I reject them—for example, the question about the scale of the region and the appropriateness of democratic election.

The Hamilton-Wentworth region is much smaller than the smallest state of the American union, and yet in the American system of government, governors campaign. Their electorates do not seem to find that a problem. That is an established way of doing things. I really cannot understand the argument that somehow, because one has moved beyond the scale of provincial constituencies, federal constituencies or the constituencies of mayors in our region, it suddenly becomes impossible to have that kind of direct election. The argument just does not follow. There is no evidence that can support it.

With regard to the kinds of persons who will come forward under this new regime, again, I think it is not just an exaggeration, but also really quite a misstatement to suggest that it will require the scale of resources that will put it only in the league of the very rich or of very confined interest groups that can mount the campaigns. It is quite clear in our region, for example, that aldermen, councillors and mayors do not mount campaigns that are as expensive, as comprehen-

sive or as detailed in their electoral complexity as those of MPs or MPPs.

Second, in our region, there is a consolidated and central media network system that ties the whole region together, which is just as easily accessed for the whole region as it is for beaming a message into any single constituency or any single municipality. Again, the cost factors of that kind of media publicity are surely relevant here, and they are the same for any regional contender.

If there are organized groupings that come forward to assist in those campaigns, that is nothing more than what already happens with regard to the mayoralty candidates and the municipal councillor contests.

Taken overall, I find the objections really are not sustainable. If we should find ourselves in a day when mounting expense campaigns for this post become unmanageable, we can at that time in this Legislature have recourse to amendments to the act that governs the Commission on Election Finances and bring the whole municipal scene into that regime. For the moment, that is unnecessary. If it does become necessary, it is possible and we presumably would take that step.

I want to conclude my remarks and say that it has been a great pleasure for me to have had the opportunity to take some part in carrying this issue forward through the Legislature. First, I attempted to assist the municipality when, in the fall of 1984, it presented its own private bill only to find itself involved in a procedural wrangle. I tried to argue my way through on its behalf in the standing committee on procedural affairs. In point of fact, I think we outargued the government's representatives at that time in that committee, but notwithstanding, one cannot outargue majorities. The majority was there on the other side, and the procedural questions were lost.

Then I attempted through a private member's bill to carry the issue forward, to keep it before this House, to keep badgering the minister. I want to confess that at no point in that whole history did he ever say he was opposed; he always said he thought it was possible for a government to accept a variety of options in local democracy in the municipal region and that it would be possible to devise legislation that would make it possible.

I have been delighted to have him onside with regard to this issue. In the upshot, our region is now well served by this bill. It will become law by the time we rise on Thursday after we have given it third reading, and there will be many

shouts of rejoicing in the Hamilton-Wentworth region that regional democracy will now, for all intents and purposes, be completed, and we will go about our business in a much happier state of mind.

1700

Mr. Dean: I would like to make a few allusions to some of the illusions the previous speaker, the member for Hamilton West, incorporated in his remarks.

It is complete balderdash to say there is no forum in Hamilton-Wentworth or any other region to discuss regional issues. I do not know whether the member has ever listened to the council. I remind the member—who has never been a member of any municipal council, as far as I know—that regional issues have always been and still are seriously discussed at every meeting of committees and regional council, just as local municipal issues are discussed at meetings of local councils, and provincial issues, I would hope, are discussed at sittings of the Legislature of the province. I think that is just a throw-away line he had there, attempting to justify what is not really a very justifiable movement.

Moreover, to draw on the example of the election of governors in an American state as support for the move that is being proposed now—perish the thought. That demonstrates precisely what I said in my statement, that this would encourage the advent of partisan politics at the local level. Apparently, even the proponent admits that.

Mr. Allen: I thought the member was going to go on to expatiate about republican-style government as against parliamentary-style government and so on. I am familiar with all those arguments; I know them inside out.

The member surely recognizes that organized groups of one kind or another consolidate around candidates of all kinds at all levels. If it should turn out in the course of time that the most appropriate way of doing that happens to be that we develop a more partisan structure of municipal regional government, that would be the conclusion of the debate, and we would do so.

At the moment, we all know that many of the constellations at the municipal level are surrogate party groups anyway. We know there are little Liberal conclaves, little Conservative conclaves and little New Democratic Party conclaves, whether one gives them another name or wants to indulge in euphemisms and illusions and dream a wild dream that somehow there is not partisanship in municipal politics today. That surely is the grand illusion.

I find it difficult to accept that a municipal representative himself, who came out of that kind of background in regional politics, would try to tell us the situation is really otherwise. Surely that is the illusion in this debate, not anything I ever contributed to it.

Mr. Ashe: Some might ask why, as the member for Durham West, which is a constituency just east of Metropolitan Toronto, as members know, I should be speaking on what would appear to be a local issue confined to the Hamilton-Wentworth region. Frankly, having listened to the debate so far, it seemed to me it was very local and rather partisan one way or the other. It might be appropriate and opportune for somebody who does not have a direct vested interest to bring his views and experiences to the fore and put them out in a little more unbiased fashion.

Having said that, there is no doubt I agree 125 per cent, if not more, with the views of my colleague the member for Wentworth and, to be very frank, not because he is my colleague. I would support the views expressed along those lines by any member in this chamber.

Like many here, I have served in both a county council structure and a regional council structure—again, not in the region referred to here; that is for sure. This is one of the things I always thought would be a huge mistake. If there has ever been, in my view, a bad piece of legislation coming out of that ministry, this is it. I know the argument in the context of saying the elected councils and the majority of the people, in theory, want it. There are some times when bodies have to protect other bodies from themselves.

Mr. Ward: Save us from ourselves.

Mr. Ashe: In some cases, that is right; that is exactly so.

It has been said before, so I am not going to stress it in any great detail. I think this is a horrendous mistake. We are creating an elitist type of situation. Reference was made before to the election of state governors and so on in the United States. This is exactly what this is moving towards, a presidential type of government. This is not the type of government we subscribe to with the system in Canada, which is based on the British system and not on the American style.

Some of us have been in municipal government and can speak from experience; some cannot because they speak only of textbook situations and do not know the real world. That is fine, but there are those of us who have been there, who have always been somewhat involved

of a political nature. Let us not be naïve about this. I am not trying to bury the fact that on most councils most people know the basic politics of the others. It has been tried in Metropolitan Toronto, particularly for many years by the socialist New Democratic Party in the city of Toronto because it felt the only way it could get people elected in municipal capacities was by party politics. I think it is a grave error to suggest and put forward any kind of situation that leads more towards politicizing municipal government in the sense we know it in the way of political parties.

Local government deals with local concerns and local people on block-by-block, municipality-by-municipality and acre-by-acre issues and, in my view, does not lend itself to partisan politics as such. Again, I would be naïve if I suggested that politicians are not filling most of these spots, but they are not filling them in a directly political role. That is a mistake and that is the direction in which this legislation is going.

It is a grave error by this minister and this government. I suggest that not too many years hence there will be a lot of people here saying, "Oh, boy, did we make a mistake," but how do you change something such as that? We are going to have one of the two; it cannot be any other way. It would be an elitist type of position with only the rich or those supported by those with great sums of money, and/or party politics. Both would be a mistake for our true democratic system at any level of government and in the sense of municipalities, regional, county or local.

It is best to have people who can be elected in a reasonable and responsible way to chair a regional council, which is the case here. I am not downgrading the position when I say that, because I know the onerous responsibilities of that job and the talent, energy and initiative that can be brought to the job by the right regional chairman. There is no doubt about that at all. I have seen it in action for many years. Anything that moves the system away from being able to put somebody in the chair whom members of a council can associate themselves with and respect because of his or her abilities downgrades the ultimate possibility of effectively running any level of government in a nonpartisan way.

This is mistaken, ill-thought-out and ill-disposed legislation.

Mr. Breagh: I feel more comfortable this afternoon because I want to make some comments on the speech just made by the member for Durham West, and I could not disagree more.

Only he could refer to democracy as a sickness. Only he could make reference to the fact that when his government was the administration, it somehow served the democratic process better by appointing the most powerful person in each of the regions from among the ranks of its own personal friends. That kind of patronage system is, in my view, wrong. Most of the regional councils said it was wrong and said, "At least, you ought to let us elect from among ourselves."

1710

The argument has been raised for some time now on the question of how practical it is to have people who would chair regional governments elected at large in the region. In theory, we would all say that is democracy. However much the member for Durham West (Mr. Ashe) rants against the democratic process, it may not be a perfect one, but as Churchill said, it is the best one we have come up with so far.

It seems to me it must be tried at some point. Here is a region which has by anybody's standard made a formal request to have the chairman of the region elected at large. It has done so by the rather unusual means of a referendum. It has done so by motions at its council, both regionally and locally. We have the perfect place to try it out. We will see whether this is a totally impractical way to go about it. I tend to think it is not, but I think we need one example where we could try to see whether it is practical to elect the regional chairman by means of direct election within the region.

I know it is an imperfect system and I know it is an awkward system, but it is called democracy and it has worked for a little while. I beg to differ with the member for Durham West that this will be the end of the free world as we know it. I think we will make it through this one.

Mr. Ward: I want to thank the member for Durham West for summing up in a few brief minutes the authoritarian, patriarchal attitude that the past government had over the course of the past 12 years in trying to determine what is best for the citizens of Hamilton-Wentworth. We have heard it time and time again.

I cannot believe the member for Durham West will stand up and ignore the wishes of the vast majority—something like 75 per cent to 80 per cent—of the ratepayers in Hamilton-Wentworth; that he would want to ignore the overwhelming majority opinion of the members of the regional council; that he would want to ignore the opinion of each and every one of the area municipalities at some point through the passage of a resolution and decide for the people of Hamilton-

Wentworth what is best for them. We have had that for 12 years. We are not going to take it any more.

Mr. Swart: I have to make a comment or two on the remarks by the member for Durham West as well, because both speakers for the Conservative Party have indicated that my colleague the member for Hamilton West did not have any experience on municipal government and therefore perhaps his remarks should not be considered.

I do have a little bit of experience, having sat not only on local council but for 18 years altogether on county council and on the regional council as well. I was appalled by the comments made by the member for Durham West when he said this will be an elitist system if we elect the chairman of a region. Nothing can be further from the truth. Whether it is on county council or on regional council, the log-rolling that took place there always meant that somehow or other the person who got to that position was in the élite.

I want to tell him and tell this House that in sitting on the Niagara regional council, where the chairman was the appointee of the Conservative government from 1970 and for the next 15 years, that chairman of the regional council did not even have a listed phone number in the book. I tell members that is elitism. I wonder how many in this Legislature would not have a phone number listed where anybody could get to reach them.

I suggest this will abolish that kind of elitism. It will make those people who are chairmen accountable to the people in that region. To me, that is abolishing elitism, not making it.

Mr. Ashe: I have never heard such balderdash in all my life.

Mr. Sargent: We've got more now.

Mr. Ashe: That's true, Eddie. As soon as you opened your mouth, we knew there was more; that's for sure.

The Acting Speaker (Mr. Morin): Order.

Mr. Ashe: Two of the points need clarification. It is obvious that even some of the members who were part of the regional councils in the past do not know how they operated and do not know the legislation under which they are established.

I am not aware—and I stand to be corrected on this; I will put that right out front—of any regional legislation that provided for the mandatory carrying, if you will—and that is the way it is put—of the regional chairman who was appointed by the prior government for longer than the first term of office. It is true in many instances—I

would even go so far as to say in the majority of instances—that we appointed such an efficient and effective person, who got the confidence of that regional council, that he or she was reappointed one, two, three, four, whatever number of times by his or her peers—in the case of this particular region, by her peers.

Those people do not even want to acknowledge that good appointments were made in the original legislation, and their abilities to lead that region got them there beyond that point.

Mr. Swart: They knew where their bread was buttered.

Mr. Ashe: Obviously, as usual, because of the socialist dogma that comes out over there, the member for Welland-Thorold (Mr. Swart) as well the member for Oshawa (Mr. Breaugh) did not understand what I was talking about in the context of an elitist position. The position already is elitist; I will acknowledge that. It is a very dynamic position to be led, hopefully, by a dynamic person. But the government is restricting who can get there by doing it this way. They have to have big money behind them or a party politic. They are both wrong.

Mr. Breaugh: On a point of order, Mr. Speaker: It is clear the member for Durham West does not understand that the junta has been overthrown.

The Acting Speaker: This is not a point of order.

Hon. Mr. Grandmaitre: I would like to conclude this very interesting debate. I did not expect the member for Durham West to stand and say, "I am all for democracy." I never expected this from him, never before.

Hon. Mr. Nixon: We should know better than that.

Hon. Mr. Grandmaitre: I do not think it is balderdash. I think it is all ashes; that is what it is. It is time in regional government that people responsible for such large budgets, as I mentioned before, faced the electorate instead of being appointed. I can recall my days on regional government, 10 and a half years on regional government. The appointments of these chairmen—not chairpersons, because the former government did not believe in appointing ladies, or women, as chairperson—

Mr. Dean: On a point of order, Mr. Speaker: It is necessary surely to have the fact brought out here that Mrs. Jones, who was appointed by the government as the chairman of our region, was nothing if not a lady.

The Acting Speaker: This is not a point of order.

Hon. Mr. Grandmaître: If I may conclude, I think the time has come, not only in Hamilton-Wentworth but right across the province, for people to be elected to make these decisions. I do not believe we need appointed people. This is a democratic province, a democratic process, and it is about time. I can reassure the House that I have received—

Mr. Wiseman: Did you tell Andy Haydon?

Hon. Mr. Grandmaître: Yes, many times, and only this afternoon.

I can assure members that more regional municipalities are asking for the same democratic system. I am not saying I will oblige them, but we are certainly interested in looking at that possibility.

While I am on my feet, I would like to take this opportunity to thank the member for Hamilton West (Mr. Allen). It is true that it was his private bill, Bill 39, and I want to thank him for his co-operation. We thought it was important enough to make it a government bill, but I want to thank him publicly for his assistance, and also the member for Wentworth North (Mr. Ward) and the member for Hamilton Centre (Ms. Munro). I think they have all provided me with the right atmosphere that was existing in Hamilton. It is too bad we could not satisfy everybody, but from now on in this province, most regional persons will be elected.

Motion agreed to.

Bill ordered for third reading.

1720

INSURANCE AMENDMENT ACT

Hon. Mr. Kwinter moved second reading of Bill 159, An Act to Amend the Insurance Act.

Hon. Mr. Kwinter: I am pleased to move second reading of amendments to the Insurance Act pertaining primarily to Ontario farm mutual insurance companies. The intent of this proposed legislation is to facilitate the expansion of capacity of the farm mutuals and thereby increase the availability of insurance to Ontario consumers, particularly in rural areas. The amendments will give farm mutuals the same investment powers as other insurance companies and permit farm mutuals to form wholly owned, subsidiary, joint-stock, general insurance companies.

The century-old farm mutual insurance system in Ontario is well known and respected for its financial stability and for its considerable commitment to providing insurance in Ontario, even

in periods of poor underwriting profitability. These amendments signal this government's wish to further encourage that commitment. I remind the members that the amendments have the support of the Ontario Mutual Insurance Association and both the Dupré Ontario Task Force on Financial Institutions and the Slater Ontario Task Force on Insurance.

In committee of the whole House, I will be moving three minor amendments to these provisions because a reference to a subsection of the Insurance Act was inadvertently left out at the first reading of the bill. The amendments will also delete specific authorization for Ontario insurance companies to invest in instruments of or guaranteed by the government of South Africa. These provisions date from the time that South Africa was a Commonwealth country and are simply not appropriate today. As well, provision has been made for insurance companies to invest in the voting shares of a securities dealer consistent with our new policies relating to the securities industry.

I will also be moving amendments to this section to delete the reference to a regulation under the Securities Act. Additional subsections have been introduced to provide for regulations governing conditions for insurance company ownership of securities dealers.

Mr. Ashe: I was glad I was able to get the opportunity a few moments ago to loosen my tonsils now that we are into a more meaty subject, Bill 159. There is no doubt that this particular piece of legislation has come about over a considerable time with discussions with the Ontario Mutual Insurance Association and the industry under which they gather themselves under that title.

It has been recognized for many years, of course, that the farm mutual association and the farm mutual companies have served, as the minister has pointed out, a very important service to the rural and farm communities in Ontario. Their opportunities to expand into stock companies and to take better advantage of investment opportunities have been sought after for some time. The negotiations that have led up to this piece of legislation—there is no doubt—came about with a strong consensus and a general feeling to support the initiatives that were started some time ago.

Having said all that, I have a few questions and concerns that have been put to me that I would like to put to the minister to respond to in due course, and/or possibly suggest other amendments that might be appropriate to take care of

some of what I feel are legitimate concerns that have been raised by the industry.

Again, I want to emphasize that the industry in general supports the initiative, and I and my party will be supporting this piece of legislation. But when we have the opportunity to make something a little better, we have to look at those situations.

I know the insurance companies, through their association, have had ongoing dialogue to some degree with the minister, but more appropriately on a day-to-day basis—and I do not mean daily—with the ministry people. They indicate to me that they have been trying to find out what kind of capitalization requirements would be put upon them to set up the subsidiary companies. Apparently, the normal answer was, “We will do that later on in regulations.” There seems to be a divergence of opinion on how much would be a reasonable sum of capitalization that would be required.

For example, if you are talking about a company that has current capitalization and/or returned earnings of only \$5 million and you say it has to have at least \$3 million or \$4 million of capitalization to set up a separate subsidiary stock company and it cannot go outside and get other capital, how can it do it? You start out with one relatively strong company and you end up with two weak companies. Frankly, I do not think that is the spirit of the term “mutual,” let alone farm mutual companies and what they stand for. In my view, the co-operative idea does not mean making weak co-operatives; I hope we are always trying to create further strength.

That is a particular concern I hope the minister can address, why his ministry has not been able to answer or what might be the realistic capitalization figure that would be required to expand into the new stock operations.

Equally as important—and it really follows from the answer to that first question—is why there is no opportunity for the farm mutuals to go outside. I am not talking about their present nonprofit operations. When they go into the stock company, why can they not go outside for additional capital to make a stronger company? I do not necessarily mean controlling interest or anything like that, because obviously that would not be appropriate. Surely with a stronger company, you end up with better service not only to the existing clientele but also the expanded clientele that will be available to it with the expanded mandate.

They are allowed to set up these companies from retained earnings only. In the spirit of how

they are operating, most of them do not have retained earnings in substantial amounts. Those are completely opposite to their principle of providing lower-cost insurance to their constituency, predominantly the rural and farming communities, on a co-operative, nonprofit basis. That seems to be rather inconsistent with that goal.

Possibly the minister has an answer that is satisfactory. When we are in committee doing these other amendments that were put forth, which I agreed to, by the way, possibly other amendments will take care of those concerns. At least the minister can answer satisfactorily that he is prepared to do it at a very opportune and early time.

I know the minister was forwarded a letter on the whole other side of the issue by the Insurance Bureau of Canada, noting its ongoing concern that the playing field was not level. The farm mutuals have always had tax advantages, which they have always somewhat resented. I can respect and understand that.

As I understand it, everybody who did farming business, if he wished to segregate that business, could get the advantage of at least some of the tax savings that were available. Under the original understanding, they were concerned that even with the expanded operations into the separate stock company, as long as it did not have more than 49 per cent of the nonfarm business, they would continue to have all the same tax advantages as the original farm mutual company in its farm dealings.

1730

As the minister is aware, this afternoon I was delivered a copy of the minister's response to the Insurance Bureau of Canada in that regard, which seems to discount it to some degree. For the record, I hope the minister will further clarify that it is his understanding that the nonfarm business of these companies would receive the same tax treatment as their competitors. To me, if one is looking in that marketplace, it is being able to operate in an equitable and fair fashion, and the equal playing field or global playing field that is being referred to is probably fair to all concerned out there in the marketplace.

Not to carry on any further, these are the points and concerns I have. I hope that at the appropriate time, possibly at the end of the second-reading debate, and he can leave it until then if he wishes, the minister can respond to these concerns. If they are not properly addressed, possibly he can take care of them in committee of the whole House. This thrust is one that has been long

desired by the farm mutual industry and it is one my party and I support.

Mr. Swart: I rise to offer the support of our party for Bill 159. It is a matter that I think everyone in the House recognized the New Democratic Party would be liable to support. We are giving to a co-operative farm organization, or what had been a co-operative farm organization, additional powers to compete with other insurance companies in the field of providing additional coverage in other areas and expanding the area in which it can provide coverage and also giving the opportunity for wider investment.

As a matter of fact, when we conducted the insurance tour last spring, a task force of our caucus, of which I was chairman, had representations from a number of farm mutuals and their association. In our report, which came out in June, we recommended that legislation be enacted to give additional authority to the farm mutual associations. We noted in that report, in these words, "In general, mutual insurance corporations, particularly farm mutuals, have not been part of the insurance crisis of coverage and rates." That is true. They have operated more efficiently and beneficially to their customers than have the private insurance companies within this province. We recommended that farm mutuals should have the same powers as insurance companies in the private sector.

I want to refer to two or three things in the bill and perhaps get some reaction or commitment from the minister. First, I refer to section 3 and subsection 8(2). The statement is made in the explanatory notes: "Farm mutuals will be given the power to invest in joint stock insurance companies incorporated in Ontario.... A farm mutual will be required to obtain the approval of the minister before exercising this power and the investment will be subject to prescribed terms and conditions." I would like to have assurance from the minister that it will be general practice to give these broader powers to the mutual insurance associations.

I have no objection to the supervisory capacity that is implied there if the general intention of the minister is to make it easy. There may be some circumstances in which these powers should not be granted to them. We know that in some areas, even in the credit-union field, there is need for supervision to ensure that the operation is to the benefit of the members. Certainly, the minister does not do that with regard to the private insurance companies, but with regard to the farm mutuals, he is proposing that. I want him to

assure the House that he will be giving that consent in general.

Sections 4, 5 and 6, which provide that joint stock insurance companies be members of the farm mutuals guarantee fund, is certainly supportable. I have already stated that to give farm mutuals the same investment powers as other insurers is supportable by this party.

Of course, we would support the sections with regard to South Africa. There is no doubt about our party supporting the removal of the government of South Africa from the numbers of organizations and institutions where the farm mutuals and, for that matter, all insurance companies could invest. I would ask the minister to clarify again—and I think it is clear—that this is a prohibition. In effect, removing it means it is a prohibition against the purchase of bonds or investment in South Africa unless an insurance company operates within that nation.

In essence, the bill we have before us is a bill to improve the opportunities for the farm mutual insurance associations, but in fact, the latter two items in the bill are entirely different from that. We support the one with regard to South Africa, but section 10 of the bill is one this party will not be supporting. It really has nothing to do with farm mutuals; it has everything to do with the new policy of the minister, which he announced last December, which will, in fact, destroy the four pillars of finance.

I am not saying we are wedded to those four pillars as they now exist, but we are certainly in opposition to the statement he made of his intent to allow Canadian financial institutions and foreign investors to take over full ownership of any corporations registered in Ontario. We believe the separation should remain. It should not be the job of the government of Ontario to promote the corporate cannibalism that will take place in allowing trust companies and banks, even foreign interests, to buy out the corporations of this province.

When we come to that section, we will be voting in opposition to it because of the strong feeling we have. Our judgement is that it is going to severely damage the economy of this province and remove protection from those people who are investing in shares, whether they be of a trust company or an Ontario corporation.

I know there is some desire to proceed very hastily with this. I would like to have read into the record some of the comments of my leader when he replied to the statement of the minister back in December, which would open up the whole corporate community to takeover from

insurance companies, banks, trust companies or, for that matter, themselves. However, I will not go into that except to say we will be strenuously opposing the section of the bill which implements the minister's statement as far as insurance companies are concerned.

1740

Hon. Mr. Kwinter: First, I would like to thank both my critics for their support of the bill, notwithstanding that the member for Welland-Thorold (Mr. Swart) has given his support other than for section 10. I understand where he is coming from and I accept that.

I would like to respond to some of the questions asked by the member for Durham West (Mr. Ashe), one dealing with subsidiary companies and the ability of other companies to get involved in an investment point of view. In the mutual fund operation, they have a total fund, a compensation fund that has been built in and has been one of the strengths of the mutual fund business. That is something we have emulated with our new compensation fund for general insurance. Under the provisions of that, the only participants can be mutual fund operators. We think that is something that should remain inviolate.

As far as mutual funds are concerned, there is nothing to prevent them from having debt if they want to raise more capital. They cannot have outside share capital, but they can certainly have debt. There is also nothing to prevent several mutual fund operators from banding together if they feel that, in order to compete, they need a greater capital base. I hope that explanation is satisfactory, because it really addresses that problem.

As far as capitalization is concerned, there is a provision under the Insurance Act, which was given royal assent on December 18, 1986, Bill 108, which says in effect:

"On the report of the superintendent, the Lieutenant Governor in Council may by order exempt an insurer from the minimum capital requirements set out in subsection (1a), (1b) or (1c), as the case may be, if the insurer is offering its services only within Ontario or if the insurer is offering a specialized or limited service that in the opinion of the Lieutenant Governor in Council does not require the support of higher capital requirements."

Because of that provision in Bill 108, we have decided to provide the capital limits by regulation as opposed to the act, so that we can address those particular concerns. In that way, we can have a situation where, if a mutual insurance

company comes to us and tells us about its particular needs, we can address them. We can address them by regulation, and we also have the ability under subsection (1d) as set out under section 4 to address that particular concern.

The last point he mentioned has to do with the level playing field. I want to assure the member that it has always been our intent—it was our intent when I announced our plan to bring forward these expanded opportunities for mutual funds—that once they get into the joint stock business, they will have to play on the same level field. They would be subject to the same tax obligations as any of their competitors. Vice versa, any insurance company that wants to get into just farm insurance has the same opportunity to get whatever tax benefits the farm mutuals enjoy.

That is something I hope he will accept. I have put into the record that there was never any intent that the farm mutuals would take their tax advantage with them when they went to compete in the general insurance business. With that assurance, I hope I have satisfied the concerns of the member for Durham West.

I would like to address the member for Welland-Thorold and tell him that I can assure him the mutual funds will be given the powers and will be given the consent, subject to tests by the superintendent of insurance as far as solvency and as far as capitalization are concerned, but I can assure him that this consent will not be unreasonably withheld. It will be done in a fair and equitable way. Once we have seen their business plan, once we are assured of their capability, that consent will be given.

As far as South Africa is concerned, there is no question that this provision in the act deletes the permission to buy instruments in the government of South Africa. That is an absolute prohibition. At present, there are no companies in Ontario that have investments in instruments of the government of South Africa, so it is academic. However, we wanted to make sure because, at the time of the previous act, South Africa was a member of the Commonwealth and was included. We have taken it out. I want to assure him that it is the intent to prohibit unequivocally investment in instruments of the government of South Africa.

Motion agreed to.

Bill ordered for committee of the whole House.

House in committee of the whole.

INSURANCE AMENDMENT ACT

Consideration of Bill 159, An Act to amend the Insurance Act.

Hon. Mr. Kwinter: I will be moving amendments to section 3, subsection 5(1) and section 10.

On section 1:

Mr. Ashe: I do not think there is an appropriate opportunity for me in sections 3, 5 and 10 to clarify one of the questions I had before that the minister answered, so I am doing it under section 1. I am just making a query of the minister, and we are trying to expedite this.

When we were talking about the opportunities for the companies to invest capital in a subsidiary company, the minister indicated the amounts could be tailor-made to the situation. I accept that, but in answering why they could not go out and get outside capital, he said they could go into debt if need be.

It is my impression, unless I misunderstood the concerns of the association, that it was told—I presume by members of the staff of the ministry—that a company's investment could be made only out of retained earnings. That is quite a substantial difference in my understanding of the minister's impression and my understanding of its impression. In other words, it was only retained earnings of a company that could be put into the capitalization of a new stock company that it might participate in, albeit I accept his statement that there may be two, three or four companies doing it, but unless they had their own retained earnings, they could not do it.

Hon. Mr. Kwinter: The information I have is that is not the only way they can provide for capital in the subsidiary. They can do it through debt instruments. They just cannot do it through shares outside the farm mutuals because of the situation I pointed out before.

Section 1 agreed to.

Section 2 agreed to.

On section 3:

Mr. Chairman: Hon. Mr. Kwinter moves that section 3 of the bill be amended by adding thereto the following as clause 98(eb) of the act:

“(eb) prescribing and defining the terms and conditions upon which an insurer may invest its funds in the fully paid voting shares of a dealer within the meaning of the Securities Act.”

1750

Hon. Mr. Kwinter: This allows the Lieutenant Governor in Council to pass the regulations authorized in the motion on section 10.

Mr. Ashe: We agree with this amendment. Motion agreed to.

Section 3, as amended, agreed to.

Section 4 agreed to.

On section 5:

Mr. Chairman: Mr. Kwinter moves that subsection 143(4a) of the act as set out in subsection 5(1) of the bill be amended by inserting after “subsection 4” in the first line “and subsection 142(1).”

Hon. Mr. Kwinter: This is a technical amendment to clarify that joint stock subsidiaries of farm mutuals will be able to enter into reinsurance agreements with the farm mutuals.

Motion agreed to.

Section 5, as amended, agreed to.

Sections 6 to 9, inclusive, agreed to.

On section 10:

Mr. Chairman: Mr. Kwinter moves that subsection 390(2) of the act as set out in section 10 of the bill, be struck out and the following substituted therefor:

“(2) Subject to such terms and conditions as may be prescribed by the Lieutenant Governor in Council, an insurer, with the approval of the superintendent, may invest its funds in the fully paid voting shares of a dealer within the meaning of the Securities Act.

“(3) Clauses (1)(c) and (d) do not apply to an investment under subsection 2.

“(4) For the purposes of this section and regulations made under clause 98(eb) ‘voting share’ means a share of any class of shares of a corporation carrying voting rights under all circumstances and a share of any class of shares carrying voting rights by reason of the occurrence of any contingency that has occurred and is continuing.”

Hon. Mr. Kwinter: These subsections will provide flexibility in providing for regulations to determine the terms and conditions for an insurance company to invest its shares in a securities dealer.

Mr. Ashe: I think this is the kind of flexibility that should be there to give greater opportunities to the farm mutual industry, and we are supportive.

Mr. Swart: I am going to make my very brief comments on the amendment because, in effect, the amendment does not really change the substance of section 10 in the act. As I have already stated, we are opposing it. This committee will know that our leader has very ably explained why we are opposing it. I suggest to

this committee that the opposition to throwing the gates wide open for corporate takeovers goes a great deal further than just within this party. Editorially, newspapers across this province have come out in opposition to what the minister proposed and what is partly implemented by section 10, whether it is the amendment or the original section.

They recognize the very real dangers of the cross-ownership and the manipulation that can take place. The Toronto Star, after the minister made his announcement, said: "Kwinter's lack of understanding in the trade area seems to extend in the financial services area as well. By permitting nonfinancial companies total freedom to enter the securities industry in Ontario, he has set up the possibility for business interests to raise money from the public through their own intermediaries creating, in effect, self-financing rings. Kwinter did not say how he would control the unlimited conflicts that could result."

The Globe and Mail, the same day, under the heading "Banks Win Unrestricted Entry into Securities Field" said, "A giant 'For Sale' sign has been posted on the front doors of Canada's investment dealers." Then it goes on to make criticism of the proposal by the minister.

I have numbers of other editorials here, but I will not take time to read them now because of the time bind that this House is in not only today but also for tomorrow and Thursday. I just want to make it clear we will be voting against the amendment and be voting against section 10 for the reasons that have been outlined by my leader and that I have described very briefly now.

Mr. Chairman: All those in favour of Mr. Kwinter's amendment will please say "aye."

All those opposed will please say "nay."

In my opinion the ayes have it.

Motion agreed to.

Mr. Chairman: Shall section 10, as amended, stand as part of the bill?

All those in favour will please say "aye."

All those opposed will please say "nay."

In my opinion the ayes have it.

Section 10, as amended, agreed to.

Sections 11 and 12, inclusive, agreed to.

Bill, as amended, ordered to be reported.

On motion by Hon. Mr. Nixon, the committee of the whole House reported one bill with certain amendments.

EQUALITY RIGHTS STATUTE LAW AMENDMENT ACT

Hon. Mr. Elston moved, on behalf of Hon. Mr. Scott, second reading of Bill 199, An Act to amend the Equality Rights Statute Law Amendment Act.

Hon. Mr. Elston: I think everyone understands that this bill is designed to give the Legislative Assembly adequate time to address the concerns in relation to the subject matter of Bill 190. This will move the effective date so that we can accomplish the dates here in the House and in the standing committee on the Legislative Assembly, which will examine Bill 190. For that purpose, it will be helpful to us all to have this bill passed with dispatch.

Mr. Andrewes: I rise to indicate our support for this bill. I know that several matters are before us relative to the Mental Health Act. Certainly, we look forward to the opportunity of discussing those in not a rushed atmosphere. I think this now allows us some time to do that.

Mr. Reville: On behalf of the New Democratic Party, I would indicate that we support the bill so that the discussion can ensue and the compelling arguments on both sides of the issue may be heard.

Motion agreed to.

Bill ordered for third reading.

BUSINESS OF THE HOUSE

Hon. Mr. Nixon: Mr. Speaker, just before you adjourn the House, may I say that we expect to go on with Bill 190, the amendment to the Mental Health Act, tomorrow, as well as some additional bills: Bill 197, the Architects Amendment Act; Bill 178, the County of Oxford Amendment Act; Bill 179, the Municipal Act amendments, plus another that may be available, if the House decides it will go forward with it, dealing with counties and regions—of a very interesting nature but not of tremendous impact. We would also consider concurrences.

The House adjourned at 6 p.m.

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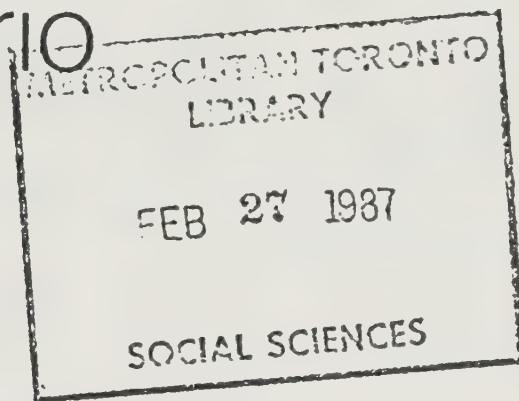
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Official Report of Debates

Legislative Assembly of Ontario



Second Session, 33rd Parliament
Wednesday, February 11, 1987

Speaker: Honourable H. A. Edighoffer
Clerk of the House: C. L. DesRosiers

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LEGISLATIVE ASSEMBLY OF ONTARIO

Wednesday, February 11, 1987

The House met at 1:30 p.m.

Prayers.

MEMBERS' STATEMENTS

WATER QUALITY

Mr. Guindon: More and more it appears to me that there are two classes of citizens in Ontario. Do not be mistaken, Mr. Speaker. I am not referring to rich and poor; I am referring to a sort of discrimination based on place of residence. If you are fortunate enough to live in Toronto or Hamilton, you have nothing to complain about. You have jobs, roads, services, recreation and many other advantages which are not common in rural Ontario—especially in eastern Ontario and, more particularly, in my riding of Cornwall.

The problem I am referring to had been brought to my attention even before this government came to power. Residents of Cornwall township have been and are still complaining to me about the lack of safe drinking water. I always thought drinking water was a basic commodity which every citizen should be able to enjoy. After all, St. Andrews West is located in Ontario, not in Africa, and as far as I know, Ontario is not part of the Third World.

When the health of my constituents is at risk, when the progress of their community is restricted by a lack of safe drinking water, I feel I have to intervene. I have to request that this situation be taken care of with a high degree of urgency.

When will the government see fit to work out solutions to problems plaguing eastern Ontario? Are we so far away that we do not count? Sure, we count when it comes to taxing. When can we look forward to a solution to this problem? When can the people of Cornwall and Cornwall township start feeling that they too are part of Ontario? I want solutions now, because they are needed now.

NATIVE-LANGUAGE TELEVISION SERVICE

Mr. Pouliot: I would like to draw to the attention of all members a historic and unique arrangement that has taken place between Wawatay and TVOntario. Starting on January 18,

native-language television programs produced by Wawatay are being distributed, using the facilities of TVOntario, to reach 27 native communities in northwestern Ontario.

This co-operation between Wawatay and TV Ontario, using satellite technology, will help to nourish and sustain the language and culture of our native Canadians. It is an outstanding example of community effort, of people pooling their talents and resources for the betterment of their community.

Having been honoured, with other distinguished members from all over Ontario, with an invitation to attend the official opening of the Wawatay television facility and subsequent feast on January 29, I was able to witness the enormous sense of pride that the people of Nishnawbe-Aski feel about this historic undertaking. They are also justifiably proud of what has been accomplished between TVOntario and the people of Wawatay.

TAX REVENUES

Mr. Callahan: Over the last little while, the official opposition—the Conservatives—and the third party have accused the Treasurer (Mr. Nixon) of storing up nuts for the winter. I suggest to members that this \$900 million that he is constantly accused of is not even sufficient to cover the ills of the past that have been neglected.

I refer members to the fact that, on the current data I have, \$60 million are to be spent over the next two years improving deteriorating roads; \$209 million to upgrade existing facilities in cancer care and research; \$13 million to establish northern medical travel; \$103 million in provincial loans and grants to stimulate auto investment; \$100 million over a five-year plan for northern development; a 300 per cent increase to \$2 million per year to support municipal recycling programs; an initial 200 per cent increase to \$11 million per year, in January 1986, subsequently raised to \$36 million, with reference to community and home care for seniors.

There are many more I could relate, but in closing, I would like to refer to the \$850 million the Treasurer has allocated for capital construction of hospitals over the next five years. That, to me and the citizens of Brampton, is probably one

of the most significant of all of those expenditures.

NURSING HOME BEDS

Mr. McLean: This statement refers to the Ministry of Health, with particular reference to the riding of Simcoe East, which includes Orillia and the Midland area.

Over the past few years, there have been few approvals for additional nursing beds. The district health council completed a study of the area and concluded that, with the population expanding as it has, nursing home bed capacity is not keeping up with that expansion, particularly in this area.

I think the minister should be giving serious consideration to expanding nursing home bed approvals. We have approximately 115 in need at this time in Orillia alone, and 35 of our hospital beds are being taken up by patients who could and should be in nursing homes. It is a similar situation in the Midland area, where many people are taking up hospital beds who should be in nursing home facilities.

It seems that if the minister's colleague the Minister of Housing (Mr. Curling) can arrange for additional housing units for what he has termed the hard-to-house, then the minister could arrange 100 or so nursing home beds for the riding of Simcoe East. The need is at least as great and the cost would be less. Perhaps the seniors should even have some priority in this matter.

Will the minister approve additional nursing home beds for the riding of Simcoe East and thereby cut his health care costs substantially by freeing up those hospital beds? With the allotments that have been made elsewhere in the province, will he now include some for Simcoe East, where the need is great?

NIAGARA REGIONAL POLICE

Ms. Bryden: Yesterday my colleague the member for Welland-Thorold (Mr. Swart) drew to the attention of the Legislature the situation in Niagara region, where the police chief has been suspended for alleged corrupt practices in giving preferential treatment to two applicants for police jobs who were related to senior officers. While I commend the new chairman of the Niagara Regional Police Commission, Denise Taylor, for her prompt action in ordering a suspension until the allegations are investigated, I am shocked that nepotism still appears to be continuing in the Niagara police force.

In view of the fact that an investigative journalist revealed last year that 27 per cent of all members of the police force were related, I want to ask the Solicitor General (Mr. Keyes) what he has done since that newspaper story came out to draw to the attention of the Niagara police chief and all other police chiefs in Ontario that such hiring practices are corrupt and will not be tolerated. Has he issued any written guidelines on this matter? If so, will he table them in this House tomorrow? When will he bring in his long-promised revision of the Police Act to spell out a code of conduct for the police forces of Ontario?

1340

ANIMAL RIGHTS

Mr. McGuigan: Mr. Speaker, on Monday last you inadvertently cut me off by 14 seconds, so I wish to repeat.

I believe it is time members spoke out on the subject of animal rights. I want to make it clear, whether one is an animal lover or not, that the mistreatment of animals is something any sensitive individual cannot tolerate. One has to wonder, however, about the value system of animal activists who place their obsession with humanity towards animals above the wellbeing of human beings.

These animal worshippers, if they had their way, would wreak genocide on northern peoples, whose very existence depends on animals to provide them with food, shelter and a way of life. In the land of the midnight sun, the climate eliminates vegetation on which man can live, but not vegetation on which animals can feed. The six-month period with little or no sun deprives mankind of the ability to synthesize the sunshine vitamin. These people would die of scurvy were it not for the vitamins stored in fish and animal fats and oils.

These people reject the scientific theory that man evolved on the planet as a meat-eater. The theory is that man ate raw meat before fire was discovered and mastered, whereas he found it impossible to eat raw grain. Raw grain creates a raging brewery of the human digestive system. Further proof is that there are few, if any, cases of man being allergic to meat, while cases of allergic reactions and even fatal reactions to plant foods are fairly common—

Mr. Speaker: The member's time has expired.

Mr. McGuigan: You got me again.

GASOLINE PRICES

Mr. Gordon: I would like to ask the Treasurer (Mr. Nixon) how much longer people living in Sudbury and northeastern Ontario are going to have to pay those high gasoline prices. He knows it is a disincentive to secondary industry; he knows people in the north face higher costs than people living in southern Ontario. As a matter of fact, a recent survey showed that people in northern Ontario are being paid less in comparison to those who live in the south. He is taxing people who can little afford to pay the money they are charged for gasoline at present. When is he going to keep his promise?

STATEMENTS BY THE MINISTRY

JOB TRAINING

Hon. Mr. Sorbara: I am pleased to report to the House on the results of our review of the Ontario training trust fund program and the Ontario help centres program. Both initiatives were established in the spring of 1985 with a requirement for a review prior to the end of this fiscal year.

The Ontario training trust fund program was introduced to encourage greater co-operation between employers and employees in undertaking job-related training.

Les fonds de fiducie sont alimentés par des contributions provenant des employeurs et des employés. La province verse une subvention non renouvelable équivalente à la moitié de ces contributions, jusqu'à concurrence de \$100,000.

Our review has indicated that the program has met its objectives. I am pleased to tell the House we have decided to continue the program to stimulate new trust funds. I believe there is a continued need to encourage labour-management co-operation in the training process. As well, the trust fund approach means people are getting training that would not otherwise be available.

The Ontario training trust fund program will continue to support the establishment of new training trust funds by employer-employee groups, with particular emphasis on the industry and service sectors which are currently underrepresented in training activity. The \$100,000 limit on provincial contributions to individual trusts will remain in place.

Once established, these and existing trust funds will have access to training consulting services and funding support under the province's incentive programs for training, namely, Ontario Skills and Trades Updating. They will

deal with local Ontario skills development offices, established across the province under Ontario's Training Strategy.

We will also continue our commitment to broadening community-based, employment-related services by supporting Ontario help centres. Help centres offer services consistent with the commitment of the Ministry of Skills Development to a range of employability and training-related services, especially for the unemployed. Over the next six months, we will work with the 17 help centres and associated community organizations to focus the objective of our program and the services which the Ministry of Skills Development can support. This consultation will explore the appropriateness of adding greater stability through multi-year financing.

Both of these ministry programs are important to our multilevel approach to employability and training. We are happy to be able to continue to support them.

CAPITAL TAX REDUCTION PROGRAM

Hon. Mr. Nixon: My statement concerns changes to the capital tax payable by Ontario's farm equipment dealers. Rather than wait for the upcoming budget, I am today announcing a temporary two-year capital tax reduction program for these dealers. The farm equipment industry has generally not participated in the economic upturn being experienced by most sectors of the Ontario economy. It is dependent on the farm sector which, as we all know, currently faces economic difficulties.

While I do not believe the problem is a long-term one, the hardship these dealers are experiencing is, none the less, very real. Many dealers and many members of this House have written to me about the situation and have pointed out how Ontario's capital tax aggravates it. I want to mention specifically the member for Wellington-Dufferin-Peel (Mr. J. M. Johnson), the member for Essex South (Mr. Mancini) and the member for Kitchener-Wilmot (Mr. Sweeney), who have taken the time to sit down and discuss the matter as it relates in their own communities.

As a result, the proposal I am announcing today will reduce to a maximum \$200 the capital tax otherwise payable by farm implement dealers on their first \$3 million in taxable capital, regardless of the total amount of their taxable capital. This will mean capital tax savings of as much as \$17,600 to individual farm equipment dealers over the next two years. It is expected that

the all-in cost of the program will be less than \$500,000.

The legislation to introduce this measure will be introduced following my 1987 spring budget, God willing. The change will be effective for taxation years beginning after December 31, 1986.

ELECTORAL DISTRICTS

Hon. Mr. Nixon: I am tabling today the first volume of statistical information for each of the new provincial electoral districts, using the most recent census data available. A second volume with information on labour force, income, education and mobility will be released in the spring. Both volumes are published in English and French. We hope they may assist the honourable members in any special action they may be undertaking in support of the democratic process.

Mr. Pope: Mr. Speaker, on a point of order: We have been informed that legal proceedings have been commenced or are about to commence with respect to the Wyda Systems (Canada) Inc. matter. We have been trying to get answers from this government for six months. Where is the statement from the Attorney General (Mr. Scott) or the Minister of Industry, Trade and Technology (Mr. O'Neil) about this?

RESPONSES

JOB TRAINING

Mr. Grossman: I listened with some interest to the announcements made by the Minister of Skills Development (Mr. Sorbara) and I quickly reached back for the 1984 Ontario budget. I was pleased to see there on page 5 the following words: "We will create, for the first time in Canada, an incentive to establish training trust funds which will encourage workers and firms to undertake continuous training efforts." Unfortunately, in that year we indicated that the maximum we could make available was \$100,000 per firm.

I am disappointed about two things: first, that the minister has failed to acknowledge that the pioneer effort in training trust funds came from the previous government three years ago; and second, that the minister could not get a piece of the \$919 million extra to increase—perhaps modestly, should we say—his support for this very worthwhile program introduced by his predecessor, perhaps to increase the maximum from \$100,000 to \$200,000 per firm. His friend the Treasurer has \$919 million extra.

1350

I also thought it might have been good if the minister had looked back on page 6 of the 1984 budget where it says, "The government will provide financial assistance to unemployed help centres run by trade unions." Again, the minister today is announcing continuation of the support for a program that was started in 1984. I know the minister, who is so fond of talking about the past 42 years, would have wanted to point out those two highlights of one of the many budgets introduced in those 42 years—two programs which he is now trying to claim ownership for, and we are not going to make it easy for him.

CAPITAL TAX REDUCTION PROGRAM

Mr. Grossman: Finally, I want to turn to the Treasurer (Mr. Nixon). We are delighted to see he has been reading some of our literature suggesting that finally he give some money back to the people of this province. I find it more than passing strange that it is now February 1987 when he is beginning to follow through on his one promise in the budget to reduce the tax burden. His gasoline tax increase, his personal income tax increase, his corporate income tax increase and his land transfer tax increase, those he put on right away and collected extra money from the day his budget came in. For a reduction of taxes, the one minor item in there to reduce taxes, something we have been calling for for a long time, he did not quite get around to that until February 1987, let the record note, several weeks after the Progressive Conservative Party said it was time to give some of his \$919-million tax increase back to the people of this province.

Mr. Stevenson: I also want to respond to the capital tax reduction program that the Treasurer has announced. This was mentioned to me by Arnold Kerry, who is from Utica Farm Equipment and first vice-president of the Ontario Retail Farm Equipment Dealers' Association, over a year ago.

The inventory tax is something that I think is going to be a problem for the farm machinery dealers for much more than two years. Certainly the hardship is associated with the doldrums that the agricultural industry is now in, and of course that tax is passed on to farmers who cannot afford to pay it right now; but there have been changes in the industry that I think are not going to go away in two years.

First of all, the nature of the billings by many of the farm machinery manufacturers is such that much of the inventory is now being carried by the dealers and not by the companies. Many of those

companies are billing immediately; that equipment shows up as inventory on the dealers' lots, and they are being forced to show that as inventory and pay tax on it. I suspect that is not going to change in two years. It is likely going to be with us indefinitely. I feel this particular move should be made permanent whenever the minister brings forward legislation to deal with the problem.

JOB TRAINING

Mr. Warner: I would like to respond to the statement made by the Minister of Skills Development (Mr. Sorbara). Reading one of his statements is like rereading *Through the Looking-Glass*. It is really quite incredible. He professes support for the help centres, yet the badgering these help centres have undergone confirms that the real intent of the government is to allow the centres to close. Politically, the government knows that is unacceptable in what is likely to be an election year; instead, it is quite prepared to allow them to die.

How does the government do that? By ensuring those centres, which are struggling a bit in trying to raise money locally, do not get the kind of support and help they desperately need, and in some cases simply by making sure the cheques do not come through as in the case of Brantford and they end up having to lay off staff. It has been a totally disorganized approach. In the process, the government has made it quite clear that it does not want the involvement of the Ontario Federation of Labour. It is a shameful way to run any kind of program.

With respect to the Ontario skills development offices, the government professes support, and yet the reality is that in the case of the north, for example, there is no attempt to make sure they meet local needs. When the Sault College attempts to establish an office in Blind River and Elliot Lake, the ministry does not seem to understand that a course needs to be mounted which is tailored to meet a small number of people to help establish local businesses in the hospitality industry or light industry that is related to recreation or to help with some of the health care community service sector which requires training.

In the case of the Sault, they were looking for in the neighbourhood of \$300,000 to establish the two centres, one at Blind River and one at Elliot Lake. They got half that amount of money. The lame excuse given by the ministry was: "We do not have enough money. It is an extra \$150,000. We do not have enough money."

These folks have probably spilled that much on their plane trips.

The needs of the north are well documented. There is a high rate of unemployment. There is a crying need to develop the kinds of skills that are needed to tackle the high-tech world and supply long-term, stable jobs. This government has failed once again and failed miserably.

CAPITAL TAX REDUCTION PROGRAM

Mr. Hayes: I would like to respond to the statement by the Treasurer (Mr. Nixon). This will be welcome news to the farm equipment dealers today. We know they have been affected because of the downturn in the agricultural industry and naturally that affects the farmers. They have been stuck with large inventories, and reducing the maximum of \$200 on the capital tax would be—

Interjection.

Mr. Hayes: I see. It is very timely for the minister to do this. The retail farm equipment dealers' annual meeting is next week and I am sure the minister will be glad to announce it. Good timing.

Mr. Foulds: I too would like to respond to the Treasurer's statement and indicate that there is a particular and severe problem in this area. However, I am pleased that the Treasurer has introduced it as a temporary measure, and I hope the Treasury officials and the Revenue officials would, during the course of this tax reduction, monitor the loss of revenue to the Treasury and to Ontario and the subsequent benefits to the dealers, so that we can have a tracking of its value in terms of both parties to this agreement.

I notice and applaud that the Treasurer is announcing it now because he plans to make it effective at the beginning of this calendar year. Making the announcement now, even though the legislation will not be brought forward until after the budget, makes some sense. This may be the first dribble from a good news budget, and I suspect we may very well have a hint here that we will be hitting the hustings some time this year.

ORAL QUESTIONS

GUARANTEED ANNUAL INCOME SYSTEM

Mr. Grossman: I have a question for the Premier. Last week, we were discussing his government's refusal to help the disabled people of Ontario with the money being sent along by the federal government. We have checked with the federal department and found that both

British Columbia and Alberta are exercising their option to provide \$175 additional assistance to the disabled. Ontario has not.

As Premier, how can he explain the circumstance where Ontario is not doing what British Columbia and Alberta have done for their disabled?

Hon. Mr. Peterson: I will refer that matter to the Minister of Community and Social Services.

Hon. Mr. Sweeney: There are 83,000 disabled people in Ontario who get a Gains-D pension from the provincial government, and 13,000 of them also get a Canada pension. It is only those 13,000 people who got the increase, not the other 70,000. It was the understanding between the province and the federal government that the increase would be offset at the provincial level, and that is what we did.

1400

Mr. Grossman: I want to send over to the minister a copy of the federal legislation, which is the legislation governing this transaction in the flow of funds. I wonder if the minister, in answering the supplementary, might be kind enough to point out to me what section of that legislation prohibits him from doing what British Columbia and Alberta have done, which is to increase assistance for the disabled by \$150 to \$175 a month. What section in the act prohibits him from doing that?

Hon. Mr. Sweeney: There is nothing in the act that would prevent me from increasing assistance to the disabled, if I did it for all 83,000, but I cannot do it just for the 13,000 who come under the jurisdiction of the Canada pension plan. That is the problem.

Mr. McClellan: You are wrong. You can designate that income.

Mr. Grossman: My colleague the member for Bellwoods (Mr. McClellan) is absolutely right. The minister can. I sent the copy of that legislation over to him precisely because he is unable to indicate what it is in the legislation that prohibits him from doing what the other provinces have done and flowing that money through to the disabled people in this province.

The Premier was asked by me last week whether he thought \$7,200 a year for the disabled was an adequate amount of money. He ducked answering, but the bottom line was that he was embarrassed by the question. That is why he keeps referring the supplementaries to the minister.

Does the minister believe that \$7,200 a year is enough money for the disabled people of this

province? Does he or does he not? If he does not think it is enough money, why does he not take some of the extra \$919 million the Treasurer (Mr. Nixon) has and give it to the disabled people of this province?

Hon. Mr. Sweeney: As the honourable leader well knows, the Treasurer has already directed \$92 million to my ministry. Some of those dollars have gone to the disabled, some to the elderly and some to children.

Mr. Grossman: How much has gone to the disabled? How much more are the disabled going to get this year? Tell us.

Mr. Speaker: Order.

Hon. Mr. Sweeney: The total increase in expenditures for the disabled in the past year has been \$41 million. The increase in this particular program is \$18 million and the net gain to the disabled is very clear.

Mr. Grossman: The net gain is to the Treasurer of Ontario, who hijacked that money on the way from the federal government to the disabled.

Mr. Speaker: Order. New question and to which minister?

TARIFFS ON SOFTWOOD LUMBER

Mr. Grossman: I have a question to the Premier, if he will agree to accept it. Will the Premier answer this question for us as directly as possible? Will he tell us whether the Ontario government submitted a proposal to the federal government agreeing to a proposal that a 10 per cent voluntary tariff be placed on Canadian softwood lumber? Did his government participate in a proposal to accept the 10 per cent voluntary surcharge?

Hon. Mr. Peterson: I believe we went through this discussion in some detail some time ago. I recounted to the honourable member the progression of events at that time and how the situation developed. I gather there were discussions at the time. Ontario reluctantly agreed to go along when the announcement was made, but it is something we were not very comfortable with. The member knows what happened subsequent to that event.

Mr. Grossman: I want to talk about the Premier's changed story. Earlier he was saying he had nothing to do with it. Now, under questioning, he must admit that indeed he did have something to do with it. I want to put it to him this afternoon in a very serious allegation that he not only had something to do with it but also Ontario was one of the major players in

suggesting that a 10 per cent voluntary tariff was the appropriate way to go.

I want to put this question to the Premier: will he acknowledge this afternoon that the Deputy Minister of Natural Resources, Mary Mogford, joined her colleagues the deputies from British Columbia, Alberta and Quebec in putting in writing a proposal in late September for the acceptance of a 10 per cent surcharge on Canadian softwood?

Hon. Mr. Peterson: Again, I think we have gone through this in some considerable amount of detail. I am not sure what my honourable friend's federal colleagues are telling him. They may not be telling it to him completely squarely, I say to my honourable friend.

He knows how that 10 per cent offer came about. Ontario reluctantly went along with it at the time, as was discussed in this House; there is nothing new about that. We thought it was wrong, but in the interests of a national consensus, we tried to be co-operative. But once that offer was turned down, as the member will recall, Miss Carney said that was the final offer, and subsequent to that, there were many other final offers.

I think my honourable friend's information that is coming from his federal colleagues is inaccurate.

Mr. Grossman: This is a very important issue, because it speaks very much to the veracity of the information that is coming forward from the Premier's government to this House and the people of Ontario with regard to the 1,000 jobs in the softwood lumber industry in this province.

The information we have does not come from the source the Premier suggests. It comes, in fact, from David Redgrave of the Ministry of Industry, Trade and Technology, who said in estimates on February 5 to my colleague, simply put:

"I was not there to bind; Mary Mogford was there to bind us. She had the offer, which was then brought back for ratification and a letter went off to them." My colleague said, "Was it ratified?" and Mr. Redgrave, the Premier's employee, said, "Yes, a letter went." "A letter went from who?" "It went from Mary Mogford to Gerry Shannon," of the federal government.

My question finally to the Premier is a simple one, in an attempt to have him clarify the record and state honestly what the position of his government was at that crucial time. Will the Premier acknowledge today that in late September, before the federal announcement was made, his Deputy Minister of Natural Resources wrote

the federal government agreeing—she did not say reluctantly—to a proposal put forward by her and her three provincial counterparts to put a 10 per cent tariff on softwood lumber?

Hon. Mr. Peterson: This question was raised by the member's colleague the member for Cochrane South (Mr. Pope) yesterday, I believe. I say to my honourable friend, with respect, that he is flogging a dead horse. As he knows, I shared the information with him of how it happened, what happened, our views on the situation and what happened at that particular event. It had nothing to do with what ultimately transpired.

I do not know why my honourable friend is so exercised about this, except that he is on instructions from someone in Ottawa in this regard. But I tell him, Ottawa knows our position. They knew it then and they know it now, and the member knows our position as well.

INSURANCE RATES

Mr. Rae: I have a question for the Minister of Financial Institutions and Minister of Consumer and Commercial Relations. I am sure the minister has seen a copy of the latest publication of the Insurance Bureau of Canada called Facts of the General Insurance Industry in Canada. It is a very well laid-out document. It has a picture of a hand holding a pencil, and one of the notations says "3x2)5," which perhaps aptly summarizes some of the problems we face with the insurance industry these days.

1410

Is the minister aware of one of the statistics the Insurance Bureau of Canada highlights in the document entitled Facts, which is that the amount of money paid out in claims in 1985 was a full 21 per cent higher than in 1984 and yet it took in only a mere 12 per cent more in premiums? Is this the kind of statistic the minister has been referring to when he defends the insurance industry in the House?

Hon. Mr. Kwinter: I have seen the publication. I do not know all the figures in it from memory. The statistic I was using was the statistic reported by the industry, that in 1985, for every dollar of premium received, \$1.31 was paid out in claims.

Mr. Rae: That figure is not contained in this document. Although we do have, as I say, the news that, according to the industry, three times two equals five, we do not have that other statistic to which the minister refers. Can the

minister explain why, if they talk about those figures and the minister indeed does the same, we do not have a comparison for the last five years?

For example, we would learn, and I wonder whether the minister is aware of this fact, that if you look at the amount of money that is taken in in premiums, you see a 45 per cent increase in terms of total premiums written, from \$3 billion in 1981 to \$4.4 billion in 1985, but when you look at the total claim amounts there is only a 35 per cent increase—in other words, an increase of some \$900 million less. Why would the minister not be making that kind of statement in the House to indicate just how much more money has been taken in in premiums than has been paid out in claims?

Hon. Mr. Kwinter: The reason I have not been making that kind of relationship is that the member is talking about a global figure, total amounts. I am talking on a per capita basis, so we can take a look at the situation that is being dealt with in this instance. We are saying that because of the claims record in Ontario, which is almost twice that of any other jurisdiction in Canada, we cannot compare different jurisdictions with Ontario.

Let me give the leader of the third party an example. There was a letter in the Vancouver Province from a person from Manitoba who moved to Vancouver and got insurance. They were complaining that when they were in Manitoba they paid some \$500 to insure a Jeep vehicle. They went to Vancouver, which also has government insurance, and for the same insurance paid over \$1,000. They were complaining about having to pay this amount of money. It has nothing to do with the fact that government is running it. It has to do with the fact that there are different claim experiences in different jurisdictions.

Mr. Rae: I am asking the minister—who is responsible for consumer and commercial relations in the province; who is supposed to be responsible for protecting consumers—to tell the House why the insurance industry is spending \$7,000 a day to provide the people of Canada with misleading information in very provocative ads that are being shown on prime-time television right across this province.

They are not telling people how much money they are making. They are not telling people what their administrative costs are, which are twice as high as they are in public plans. They are not telling people that they are taking in more money than they are paying out—far more in terms of the last five years. They are not providing the people

of Canada with that information. They are giving them a very partial picture.

Mr. Speaker: The question is?

Mr. Rae: Why is the Minister of Consumer and Commercial Relations tolerating and condoning advertisements and policies of the insurance industry in this country that provide misleading information and a misleading side of what is going on in the lives of drivers in Ontario and right across Canada?

Hon. Mr. Kwinter: One of the things that is a fact of life is that at present the insurance industry in Ontario is a private-sector, free-enterprise entity, something the New Democratic Party is not happy with. They have the right to advertise. They have the right to tell their story to the public and the public has the right to accept their story or not. That is called doing business. That is a process we encourage and support.

Mr. Rae: I can see the minister agrees with the insurance industry that three times two equals five.

COAL TAR

Mr. Rae: In the absence of the Minister of the Environment (Mr. Bradley), I have a question of the Premier about the Port Stanley blob. With the amount of time he spends near his constituency, I know he will be aware of the issues involving the discovery of a coal-tar blob near Port Stanley. He will be aware that the excess in terms of levels of benzo-a-pyrene was found to be five million to 200 parts per million, when levels of one part per billion are considered hazardous in sediment.

Can the Premier explain why, up until now, there has still been no clear decision taken on how the sediment is to be completely cleared and who is going to pay for it?

Hon. Mr. Peterson: I apologize to the honourable member, but I am not in a position to elucidate on that matter. I can assure him I will immediately take his questions under advisement, get in touch with the appropriate people and get back to him as quickly as possible.

Mr. Rae: It is difficult to ask the minister questions. He frequently is not in a position to answer, because he has been taken off the case. I wanted to ask the Premier this question today and I am sorry he is not aware of it.

Because it involves a country with which he has done business, South Korea, the Premier may be aware that a South Korean oil and solvent refinery called Can-Lube Oil Co. has proposed a \$7-million project for this site. There are very extreme objections to this proposal from a

number of people living in the Port Stanley area. Can the Premier tell us why the Minister of the Environment has not designated this site as a private project worthy of a hearing under the Environmental Assessment Act?

Hon. Mr. Peterson: I apologize to the honourable member, but I will take all his questions to the minister—I am sure he is on top of the situation—and report back very shortly.

Mr. Rae: I thought perhaps Mr. Carmen had briefed the Premier on this question, but since he has not, let me ask a general question. Since he is not able to answer any of the specifics, I will ask the Premier about the so-called superfund.

We now know of the existence of several coal-tar sites around the province. The costs of cleanup in Ottawa alone are going to be equal to the size of the so-called fund he has set up in the province to deal with this question.

I wonder why the government has so far failed to do what New York state and a number of others in the United States have done, that is, set up and fund a proper superfund, so we can clean up these blobs, which we now know are going to be discovered all over the province, without causing local municipalities to bankrupt themselves and without continually having to put these questions off when they involve fundamental matters of the health of these communities.

Hon. Mr. Peterson: Like the member opposite, I take these matters very seriously.

With respect to the progress of the superfund, there was recently a meeting—and I cannot tell the member the exact date—of the environment ministers across this country. Under the leadership of our minister, all the environment ministers agreed to pursue his proposals with respect to a national superfund. That is our preference as a way to approach the problem. We think it is in the national interest to proceed on the same basis.

I am told there is agreement in that regard, in principle at least, and that they are pursuing the proposals put forward by our Minister of the Environment. That does not preclude us from moving on our own, in addition to or instead of that, if it does not come about. This is something that has been under the active review and leadership of this ministry, as the honourable member knows.

IDEA CORP.

Mr. Gillies: I have a question of the Premier. One of the many things he is trying to sweep under the rug before the end of this session is his government's handling of the IDEA Corp.

portfolio. I would like to ask him specifically about the Graham Software company, which I first raised in this House last June.

The government invested \$5 million in this company between September 1985 and March 1986. During that same period, the gross sales of the company were \$200,000 and its gross expenses were close to \$3 million. I wonder if the Premier would enlighten me and the House as to why this ludicrous investment was ever made and why there was a complete lack of monitoring capacity on behalf of the Premier's government during that period, to ensure that any of the taxpayers' money in this investment could be recovered.

1420

Hon. Mr. Peterson: I will refer that to the Minister of Industry, Trade and Technology.

Hon. Mr. O'Neil: If the member wants to know why things happen like that, it is because the previous government set up the IDEA Corp. without proper rules and regulations to run it. That is why.

Mr. Pope: That is what you said with Wyda too.

Mr. Speaker: Order.

Mr. Rowe: Do you ever remember handing out the money, or is this a bad dream we have over here?

Mr. Stevenson: This is called "loans to Liberals." That is a good idea: IDEA Corp. loans to Liberals.

Mr. Speaker: Order. We will just wait.

Mr. Gillies: This minister is either completely unable or unwilling to take responsibility for his ministry. The \$5 million of the taxpayers' money has been lost in this matter, and the fault is nobody's but the minister's.

Mr. Speaker: And the question is?

Ms. Gillies: By way of supplementary, as we watch this \$5 million go down the tubes, I would like to ask the minister about the exorbitant fees that were being paid by the shareholders to themselves in this company: salaries, fees, and exorbitant administrative costs.

I would like to quote to the minister from the Supreme Court affidavit that the Ontario Development Corp. filed: "Continuing payments to shareholders at the rates...is totally unjustified and can only be explained as an attempt to fully consume all the resources available to the company."

When this minister knew about the concerns of the opposition about this company last June, I

want to know why he did nothing for a period of eight months to try to recover \$5 million of the public's money?

Hon. Mr. O'Neil: As the member will recall, we had to take over the whole operation of IDEA Corp. through the ODC to correct a lot of the problems his government caused by not having proper guidelines for IDEA Corp. to operate under.

VOCATIONAL REHABILITATION

Mr. McClellan: I have sent the Minister of Labour a copy of a brief on the Workers' Compensation Board vocational rehabilitation service which our caucus is providing to the task force this afternoon. I would like to ask the minister in charge of the WCB the following question.

When the minister assumed office in 1985, the WCB was spending \$24 million out of a \$1.2 billion budget, or less than two per cent of its total budget, on vocational rehabilitation services for injured workers. Can the minister explain to the House why he has failed so completely to upgrade the level of support given by the WCB to injured workers to aid them in getting back to work and why the rehabilitation service is still the poor cousin of the WCB?

Hon. Mr. Wrye: The honourable member will know the budget of the WCB is now struck after discussions by the board of directors of that board. I share the concern of the member, a concern shared by a number of members in the House, about ensuring that the work of the vocational rehabilitation service of the WCB be enhanced.

One of the reasons we have set up the task force is to find proper ways and means by which the spending of extra money will allow us to deliver a service which is a whole lot better than the service we have been able to deliver in the past. I remain hopeful that at the end of its work the task force will deliver to us recommendations that can be swiftly implemented which will provide for a much better system of vocational rehabilitation in the province, administered by the WCB.

Mr. McClellan: This is the first Minister of Labour since I have served in this House who systematically and consistently absolves himself of responsibility for the operation of the Workers' Compensation Board, the first one in my 12 years here who just washes his hands of responsibility.

By way of supplementary, because he is responsible despite his attempts to pass the buck

each and every time, will he give us the assurance that when we come back in April he will bring in a package of legislation for injured workers which (1) gives them the legal right to a job, set out in law; (2) applies a quota system in Ontario requiring business, industry and government to hire their fair share of the physically handicapped; and (3) establishes crown agencies to provide decent, well-paying jobs for injured workers and their families and for other disabled people as well?

Hon. Mr. Wrye: I will not give the gentleman that commitment today. I will give him a commitment that we will continue to proceed on the process of reform that this government has established, a process which I remind the member has led to the opening of two new regional offices in the past year and a half and which will lead to the opening of a third.

Mr. Rae: If you cannot take responsibility for the problems, do not take credit for what gets done. Do not have it both ways.

Hon. Mr. Wrye: We will also continue the process of beginning to decentralize some of the medical rehabilitation. The member indicated he had some concern that I was the first minister not to take responsibility for the WCB. Indeed, I answer for the WCB in the House, but I point out that I am the first Minister of Labour who has had under his jurisdiction a WCB with an independent board of directors. I hope the member does not wish that, on any and every occasion, I simply walk in and say to the independent board of directors, "I know you have set your budget, but here is how we really want the money spent."

AMATEUR ATHLETES

Mr. Callahan: My question is addressed to the Minister of Tourism and Recreation. Yesterday we had the pleasure of welcoming to the House an outstanding athlete, Ben Johnson. The member for Cochrane South (Mr. Pope), in responding to a statement reported in *Instant Hansard*, said the Liberal government has reduced the travelling expense from \$16 a kilometre to \$4 and has put a radius requirement of 200 kilometres on athletes.

I cannot believe our government would do that; I can believe the Tories might have. I would like to ask the minister whether that is what happened or whether this member is giving us bad goods, just as his friend the member for High Park-Swansea (Mr. Shymko) did on the day the Ukrainians arrived.

Hon. Mr. Eakins: I was disappointed, of course, in yesterday's proceedings, in that the

member for Cochrane South had to inject a negative and partisan comment at a time when we were honouring Ontario's outstanding athletes. Unlike our outstanding athletes, the member was completely off the track.

He stated we had reduced travel subsidies and that we had put in a radius requirement of 200 kilometres to attend events. In fact, the rules governing the travel subsidy program have been in place for the past five years; they were placed by the member's government when it was in power. There has been no change in the program; there has been no reduction; there has been no cutback; and there is no such thing as a 200-kilometre radius requirement. The member's statement yesterday, as with most of his statements, has absolutely no basis in fact.

1430

Mr. Callahan: In the light of the significant damage that I am sure occurred as a result of other sports groups getting that misinformation from the member for Cochrane South, I would like to inquire of the minister whether he will undertake in his communication with other sports groups to emphasize the fact that the information the member for Cochrane South gave us was incorrect.

Hon. Mr. Eakins: I am quite sure the various recreation associations across this province are very much aware of the requirements. On Friday, I will be speaking to the Ontario Recreation Society in Ottawa. I will reinforce our programs. Also, I point out to the honourable member that from his constituency and others I receive weekly letters of thanks and appreciation for the work our ministry is doing in helping young people in schools to attend these conferences.

Mr. Gillies: I wish I had the same writers as member for Brampton (Mr. Callahan). That was not a question.

TECHNOLOGY FUND

Mr. Gillies: I have another question for the Premier about Exploracom, the second instalment of the loans-for-Liberals program. The Premier has consistently refused to table the Coopers and Lybrand report in this House, on which he has hung his hat as the reason for killing Exploracom. Do not bother to send it over; we have a copy right here.

I would like to quote back to the Premier his rationale for killing the program based on this report. He cited a complete lack of private sector financing and said the project was out of control financially and managerially. The only problem

is that neither of those conclusions is drawn in this report.

I wonder if the Premier could enlighten us on two things. First, what is the real reason he killed the project? Second, why would he—I am sure inadvertently—misinform this House and this province as to the contents of this report? Because he expected we would never see it?

Hon. Mr. Peterson: We have gone through this discussion on many occasions in this House and I am happy to repeat it to my honourable friend.

As a matter of fact, some time ago my honourable friend stood up in this House and cited the lack of private sector participation. As I recall, he used companies such as IBM, Northern Telecom and others that were not participating. That was information he brought to this House. He may remember what he said on that particular occasion.

There were essentially two reasons we did not carry on. Number one was the lack of private sector participation in the exhibits and other areas. Number two—and the member will be aware of this—was that the operating funds were not there and it would constitute an ongoing drain on the Treasury. That is the reason the decision was made.

Mr. Gillies: Inasmuch as the Premier's rationale does not quite accord with the advice given him by Coopers and Lybrand, will he now admit that he prematurely and improperly made the commitment to this project in the first place and that he reneged on the commitment for reasons other than those contained in this report? Will the Premier do us the courtesy of admitting that this was a gross error, and can he enlighten us as to how much this mistake will end up costing the people of Ontario before we are through with the whole mess?

Hon. Mr. Peterson: I say to my honourable friend, the commitment was made pending certain things happening. They did not happen, unfortunately, and that is the reality of the situation. Perhaps the member has changed his mind and thinks the thing should carry on. I am not sure. My honourable friend keeps changing his mind in that regard.

I say very frankly the money was not there. We were prepared to make a tough decision. It was not a decision I enjoyed making at all, but we felt it was in the best interests of the taxpayers. Occasionally, people have to do that on this side of the House. We are prepared to do it. The decision stands on its own merits.

HOSPICE FUNDING

Mr. Rae: I have a question for the Minister of Health about the funding of the AIDS hospice. The minister is aware that the group of volunteers who are committed to funding the AIDS hospice have put in an offer on a property. It does not require any renovation; it is ideally suited. They have raised \$500,000 and they are in need of \$1 million in capital funding from Ontario.

There have been numerous meetings with the Minister of Health, the Ministry of Health, officials in the minister's department and other officials on the government side. Can they get a firm commitment from the minister today that this house and this hospice, this project, will be funded so they do not lose the property? As I say, they will lose it if they do not get the funding by February 28.

Hon. Mr. Elston: The honourable gentleman knows that we are aware of this particular program. He knows I would be unable to make such an announcement today in this House about the funding of that program. He gave some indication that no renovations are required for the particular facility. That is something we do not know absolutely for sure. We must make sure that the facility, if it were to be considered, would be in compliance with fire and other regulations.

I can tell the honourable gentleman that the ministry met yesterday, I believe even late last evening, with the volunteer leadership of that proposal. We are interested in examining the aspects of the proposal, which have been thoroughly discussed as a result of last night's meeting. I can tell the gentleman as well that one of the items I am further interested in is the manner in which services can be delivered in the community, as well as under the circumstances as put forward by the particular project. My officials are in fact working on that item, as well as the proposal in detail. From the report or the briefing I received this morning from my assistant deputy minister, I thought the meeting indeed was constructive, and they are pursuing the avenues of study with respect to the details of the proposal.

Mr. Rae: There is an enormous sense of frustration in this group, which, as the minister will know, has had this project in mind for several weeks. Indeed, the offer was made several weeks ago. They have been basically moved from pillar to post, from the Ministry of Housing to the Ministry of Health, the Ministry of Health to the Ministry of Housing and back

and forth, and as yet they have no clear indication.

I wonder if the minister can tell us, is it true that one of the concerns expressed by his officials was that there did not appear to be any legislation under which a capital grant could be made? If that is true, I wonder if the minister can explain why the government has not made that kind of legislation a priority in this House so that the hospice can be funded, people can be cared for in a humane way that is close to the community and based in the community and that allows people to be cared for in their last days in a way they feel is most appropriate rather than in another institution.

Hon. Mr. Elston: I think the sentiment expressed by the honourable leader is important to all of us, and that is that there be a caring and humane atmosphere in which people are cared for.

I can tell the honourable gentleman that the question about the allocation of capital funds was a concern in that the hospice itself and the manner in which it was expressed to us was not a program within which we had a mandate to transfer capital funds. I think the honourable gentleman would also know, perhaps from speaking with the people who were in attendance at last night's meeting, that there are avenues that have been explored that I think might deal with that particular difficulty. The detailed analysis and proposals, which I was briefed on this morning, are being worked up into some detail for me to take a look at and decide upon what avenue we might very well proceed.

I can tell the honourable gentleman that they understand very well that the Ministry of Health is the appropriate place to be under the circumstance, and it is only my requirement that we build in adequate safeguards to ensure good—

Mr. Speaker: Order.

SELF-GOVERNMENT FOR
NATIVE PEOPLE

Mr. Grossman: I have a question for the Premier. We have already dealt today with the accuracy of the statements that are being made in this House. We have established that where he said he could not flow money on to the disabled, he could. We have established that where he denied he was part of the softwood tariff agreement, he was. We have established that the Coopers and Lybrand report did not say the things he alleged it did.

I want to give the Premier an opportunity to deal with the same question of veracity of

information. I wonder if the Premier agrees with this statement made by his Attorney General (Mr. Scott) on the matter of aboriginal rights in this province. The Attorney General said, "The one direction we are not going to follow is the direction that was followed by the previous government of Ontario." Does that reflect the policy of the present government?

Hon. Mr. Peterson: I will refer that matter to the Attorney General.

1440

Hon. Mr. Scott: I am delighted to have the opportunity to respond to this question because the other day in the House, the member from High Park-Swansea (Mr. Shymko) indicated that the policy of the Conservative Party was different from the policy of the Liberal Party and that the policy of the previous Premier, the member for Muskoka (Mr. F. S. Miller), was different. Of course, that is not true.

Our policy on the question of entrenchment of constitutional rights is precisely the policy that the previous government adopted. I hope it is going to be more effectively pursued, but it is the same policy. In his statement, the member for Muskoka said: "This approach—"the approach the Conservative government was taking"—would see us recognize an aboriginal right to self-government within the Canadian federation and then make the right operative only through negotiated agreements among the federal government, the provinces or territories and the various aboriginal peoples."

That was the policy of the previous government, and that is the policy of this government as we move towards a negotiated constitutional amendment. The member was wrong when he said the member for Muskoka had adopted some other policy. I am glad to have the opportunity to correct for him, regrettably in his absence, the record that he has abused.

Mr. Grossman: If the Attorney General wishes to take this opportunity to correct the record, (a) we will be appreciative and (b) it will set a new precedent for the minister in showing some humility in trying to correct the record in terms of his record.

The Attorney General has just recited at length his plea that he is taking the same position as the previous government. I want to read to the minister his own words from page 2904 of Hansard. In responding to my colleague the member for High Park-Swansea, he said, and I quote directly his words, "The one direction we are not going to follow is the direction that was

followed by the previous government of Ontario."

My supplementary question to the Attorney General is this. Would he now disavow what he said to my colleague last fall and would he confirm that his position has now changed from the day when he said that the one position he was not going to follow was the position of the former government, to today when he is saying it is precisely that position? Will he correct the record and say he was wrong last fall?

Hon. Mr. Scott: The member is confusing apples with oranges. The policy that the member for High Park-Swansea referred to is the policy supported by our government, by the government led by the member for Muskoka and, I believe, by the third party. The issue he is now referring to is a different one.

Mr. Grossman: It is not.

Hon. Mr. Scott: It is precisely a different one and it is this issue, just so the member will understand: will the government of the day—

Interjections.

Mr. Speaker: Order.

Hon. Mr. Scott: I would like to respond.

The second issue that the honourable leader refers to is raised by the following question, which was presented to the previous government and to our government and has nothing to do with entrenchment. It has to do with this: "Will you, the government of Ontario, support a resolution inconsistent with your policy, if the aboriginal people tell you to oppose it?" That was the issue; and on that issue, which is not an issue of entrenchment, we disagree with the previous government and perhaps with the third party.

Just one other matter: if we are going to have a choice between accuracy and humility, unlike the honourable leader, I prefer accuracy. It is going to be quite a day when I take humility lessons—

Mr. Speaker: Order. Would the honourable member take his seat.

Interjections.

Mr. Speaker: Order. Again, we will just wait.

DISCLOSURE OF ADOPTION INFORMATION

Mr. R. F. Johnston: My question is to the Minister of Community and Social Services. I hope he will be both humble and accurate.

The other day, the member for Etobicoke (Mr. Philip) approached me about a case of an adopted person who was waiting an inordinate length of

time for nonidentifying information about herself from the local children's aid society in Toronto.

I phoned and discovered that with the Children's Aid Society of Metropolitan Toronto, one has to wait a year and a half to get nonidentifying information because it has no workers, it just has volunteers dealing with it. Is the minister aware that around Ontario there are no full-time post-adoption workers in any children's aid society? In Ottawa, one has to wait one year and a half to get nonidentifying information; some large institutions such as the Catholic Children's Aid Society of Metropolitan Toronto do not even provide nonidentifying information; and in other places, such as Hamilton, one has to wait up to six months.

Does the minister accept that as an appropriate state of affairs and what is he going to do with the new act that is coming in that will create a great deal more work when there is no infrastructure out there to provide information to people?

Hon. Mr. Sweeney: I do not agree that is an appropriate situation. The new act is being implemented in conjunction primarily with the children's aid societies that are going to have to be mostly responsible for the nonidentifying information, although the ministry will be responsible for the disclosure registry. I will certainly commit to the member, and to all the adopted people in the province who need the information, that what he describes will have to change.

Mr. R. F. Johnston: Will the minister give us a commitment today on the amount of money he is going to provide and the number of workers this will mean? The act states that there will be six-month limits to the search and that the CASS shall promptly make that information available from the registrar with counselling to adopted people.

Can the minister guarantee us today that adequate funds and adequate staffing will be made available to be put into place as soon as this act is proclaimed?

Hon. Mr. Sweeney: The cabinet submission that requested approval to proceed with the legislation contained a cost element for both the children's aid society staff and the counselling staff, and for setting up the new provisions in the registry. That was approved by cabinet; that is a part of the submission and a part of the approval of the legislation. So the answer is yes, they will both go forward simultaneously. I am sorry I cannot quote a figure; I just cannot remember what it was.

Mr. Speaker: New question, the member for Cochrane South (Mr. Pope).

Mr. Callahan: The member for Cochrane South had better be accurate this time.

Hon. Mr. Scott: No; he is going to be humble today.

Mr. Pope: Pretty soon the government is going to have to apologize for the mess that the Minister of Industry, Trade and Technology has made out of the IDEA fund; that is what it is going to have to do.

WYDA SYSTEMS (CANADA) INC.

Mr. Pope: My question is to the Ministry of Industry, Trade and Technology. Can the minister confirm that an injunction has been issued against the officials of Wyda corporation in the Supreme Court of Ontario this morning? If so, why have the minister and the Attorney General (Mr. Scott) refused to tell the people of the province and the House what is going on in this matter?

Hon. Mr. O'Neil: I would be very pleased to let the member know what is going on. I apologize that no word went to the public accounts committee. A couple of days ago, we got word in our ministry that Mr. Dobzinski was trying to remove certain personal assets and other assets from Canada. We therefore went before the court to petition the court to put a hold on those items, which has been done.

Mr. Pope: Throughout this matter, we have had to raise the questions. There has never been a statement out of the minister that has been helpful in providing information to members of this Legislative Assembly.

Mr. Grossman: I wonder why.

Mr. Pope: I wonder why; because red ties are drawn all the way through it. It has involved members of the Liberal Party.

I want to know what is going on with the OPP investigation. Is it completed? Is it sitting on the desk of the Attorney General? Why is it not being proceeded with?

Hon. Mr. O'Neil: I beg to differ with the member. My ministry, through the Ontario Development Corp., has been very co-operative with the public accounts system. We have kept members up to date on what is happening. I apologize for not letting the members know on this particular issue. I think the Premier (Mr. Peterson) dealt yesterday with his accusations about the Attorney General.

NORTHERN HEALTH SERVICES

Mr. Foulds: I have a question for the Minister of Northern Development and Mines. As the minister knows, there is a crying need for speech pathologists in northern Ontario. There are patient waiting lists of up to nine months.

After being fully briefed yesterday in estimates, will the minister make the commitment, first, that the program of bursaries for students, administered through the Ministry of Health and the Ministry of Community and Social Services, will be improved so that there will be more than 10 measly bursaries each year; and second, that the program will be expanded so that those Ontario students who are forced to study outside Canada and want to return to northern Ontario will be eligible for the bursaries?

Hon. Mr. Peterson: I am delighted the honourable member has brought this matter up again today. We discussed it at great length yesterday in estimates. I must say he has taught me a great deal about a situation that, frankly, I was not personally aware of.

We are working on the situation. There is a real problem with a shortage of professionals in northwestern Ontario, and in northeastern Ontario for that matter. It is not only in this area. I know of the member's personal knowledge and commitment on this issue. I can assure him the matter is under very active review, as he was told yesterday, and that we are expecting and hoping to have an announcement in the not-too-distant future. The suggestions he made yesterday and in this House today are constructive and helpful and we will try to get back to him as soon as we can when we have some successful resolution to the problem.

Mr. Foulds: I point out to the Premier that he is the minister and he is responsible. What I want from him is a commitment today. There are 14 vacancies in the health facilities in northwestern Ontario alone. There is a need in every other facility, such as the regional children's centre under the jurisdiction of Community and Social Services, which has had vacancies for three speech pathologists for three years; the ministry has threatened to withdraw the funds for the positions if they are not filled. There are needs in school boards and in hospitals. Ontario can train only 25 students annually.

Will the Premier make a commitment that those Ontario students, such as my two constituents whom I brought to his attention yesterday, who want to return to northern Ontario, will get the bursaries and training so people can get speech pathology in Ontario by Ontarians?

Hon. Mr. Peterson: The member makes today the identical point he made yesterday, albeit with a little more eloquence and persuasion in his voice. I appreciate there is a point. There is merit in being repetitive. I told the member yesterday we expect an announcement in the not-too-distant future. As I recall, he said then that if we did not he would "raise hell." I did not realize he was giving me only 24 hours. I thought he was giving me a little more time than that.

I know the honourable member is deeply interested. I promise to convey the information to him. The point he raises is legitimate, even if the way in which he raises it is sometimes tiresome.

RIDING OF PARRY SOUND

Mr. Eves: My question is for the Premier, who doubles as the Minister of Northern Development and Mines. On December 5, 1986, he sent me a letter in response to a request of mine that he include the riding of Parry Sound in northern Ontario for the purposes of all ministries in the Ontario government. In his letter he states: "I will review the matter with my colleagues, the honourable ministers Conway, Elston and Kerr, to determine if there is some opportunity to adopt a more consistent approach in our treatment of the Parry Sound area."

I would like to know whether, more than two months later, this review has taken place and what the outcome of it was.

Hon. Mr. Peterson: The honourable member will be aware there is a rather confused situation with respect to the designation of northern Ontario. I recall, for example, and the member may not, when there was some difficulty with respect to the electoral prospects in Parry Sound. The member will recall that it was at that point the then government designated Parry Sound a northern area for purposes of cheaper licence plates. In the eyes of the former government, northern Ontario was wherever its electoral prospects were dim. In their opinion, the entire province could be categorized as northern Ontario today.

I say to the member that the matter is under review. I am glad he raised it in the House today. I am sorry he has not been in the Ministry of Northern Development and Mines estimates. I have not seen him there. A lot of his colleagues were there discussing these issues, and I know he cares about them passionately.

I invite the member to come to my estimates as we discuss these issues of the day and get in his suggestions, because it has been a very worthwhile and constructive conversation. I think the

member will notice that the new minister has defended those estimates with great alacrity.

Mr. Eves: The Premier will know, as he is so knowledgeable about the riding of Parry Sound becoming part of northern Ontario, that in 1977 the former administration was requested by the District of Parry Sound Municipal Association to bring the riding of Parry Sound into northern Ontario for the purposes of the then Ministry of Northern Affairs only. That request was acceded to by the former administration.

He will also know that over the course of some years various ministries were brought on stream from time to time. He will recall that in 1985, when my colleague the member for Nipissing (Mr. Harris) was Minister of Natural Resources, he made a commitment to bring Parry Sound riding into northern Ontario. He will also recall that his Minister of Health (Mr. Elston), when he announced northern travel grants to northern Ontario, chose not to include Parry Sound in northern Ontario.

The Premier will also recall that he is the same minister of northern development who decided he did not have the time to devote to the ministry of northern development estimates. The Minister of Municipal Affairs (Mr. Grandmaître) was in Parry Sound two weeks ago and said he would look into this matter, as did the former Minister of Northern Development and Mines, the member for Cochrane North (Mr. Fontaine).

Mr. Speaker: Order. Will the honourable member take his seat.

Hon. Mr. Peterson: I may be wrong, but when the member mentions an election, I feel there is terror in his voice. Maybe I am misinterpreting that. He is fearful, obviously, that we will do something such as his government did when it designated Parry Sound a northern constituency for the purpose of licence plates. We do not fool around the same way the former government did and we do not regard our responsibilities the same way.

If my honourable friend considers himself to be a northern member, why has he not shown up at the northern affairs estimates? Why has he not been there fighting for the people of northern Ontario? I have been there fighting. His colleagues have been there fighting. I am there fighting for the people of Parry Sound, and he is nowhere to be seen.

ALCOHOL TREATMENT CENTRE

Mr. Laughren: Mr. Speaker, you have already allowed the member for Parry Sound (Mr. Eves) to prevent me from asking a

supplementary, but I will proceed with my question to the Minister of Health.

The Minister of Health should know that in northeastern Ontario there is a detox centre for men, there is a recovery home for men and there is a treatment program for men, where men can actually stay in as they are recovering. Why is there only one recovery home for women and why will this minister not provide them with a penny of funding?

Despite the fact that the district health council has set it as a number one priority, this minister has refused to offer one penny of assistance to that recovery home for women in Sudbury. Why is that?

Hon. Mr. Elston: We received recommendations on new programs from a number of areas in the province. There has not been a great deal of activity with respect to alcohol and drug abuse programs around the province, and we are doing the best we can to meet an increasing need. The member's area has needs, and so does northwestern Ontario. There are all kinds of areas that did not receive assistance on the basis that we had funds of a limited nature. We applied them to the several projects we were able to rank in terms of priority in some of the areas that were not already covered.

I can tell the honourable gentleman I am not satisfied with our efforts yet in regard to funding very worthwhile and progressive programs. We will again look at our opportunities when the funding is available. We will look at the newly submitted or resubmitted programs with a mind to looking at distribution of alcohol treatment facilities around the province.

1500

VISITORS

Mrs. Marland: Mr. Speaker, on a point of privilege: I know both you and the members of the Legislature would want to welcome the guests we have in the Speaker's gallery this afternoon from the Peel Association of Handicapped Adults. We thank you for the privilege of using your gallery and the access to it for the disabled guests who are visiting us today.

PETITIONS

NURSING HOME

Mr. Villeneuve: I have a petition signed by 40 residents of Williamsburg and area, which reads as follows:

"To the Honourable the Lieutenant Governor and the Legislative Assembly of Ontario:

"We, the undersigned, beg leave to petition the Parliament of Ontario as follows:

"On behalf of the executive and members of the Park Drive Villa Tenants' Association, Township of Williamsburg Nonprofit Housing Development for Seniors, we would like to submit this petition with attached signatures in support of the board's application for a nursing care facility here. At the moment, elderly residents of the township who can no longer care for themselves must be moved miles from their friends and relatives."

I support this petition.

TRANSIT SERVICES

Mr. Cousens: I present a petition by commuters using GO Transit from Richmond Hill and Langstaff to Toronto who are concerned with the lack of service for commuters from north of Metropolitan Toronto into Toronto. They want to have the service upgraded and improved so that transit riders from outside Metro can get into the city. Inasmuch as the service now provided is incomplete and inadequate, they are asking that more trains be provided later on in the day.

"The following people request that later trains in the evening be added to the schedule of GO Transit on the Union Station-Richmond Hill line. This is an urgent concern to the people of north Metro asking that the service be increased so that we are treated the same as the east-west commuters."

Mr. Speaker: I know all members are aware of the rules for petitions. They can present the information that is contained directly within the petition. I believe the member might have been straying a little bit.

Interjections.

Mr. Speaker: There are a number of private conversations that really are not private at all. We can hear all of them.

SHORELINE PROTECTION

Mr. Wildman: This is an important petition, even if members do not believe so.

"To the honourable Lieutenant Governor and the Legislative Assembly of Ontario, and in particular the Honourable Bernard Grandmaitre, Minister of Municipal Affairs, and the Honourable Vincent Kerrio, Minister of Natural Resources:

"We, the undersigned, beg leave to petition the Legislature of Ontario as follows:

"We petition the Ontario government to provide emergency grants to shoreline property owners to pay for remedial works to repair and

prevent further damage. In addition, we petition the provincial government to press the federal government to implement an overall joint program of grant assistance for shoreline property owners to address the long-term need for protection of the shoreline resulting from the high water levels in the Great Lakes."

This petition is signed by 260 residents of Sault Ste. Marie and Algoma district communities. I am in support of the petition.

REPORTS BY COMMITTEES

STANDING COMMITTEE ON REGULATIONS AND PRIVATE BILLS

Mr. Callahan from the standing committee on regulations and private bills presented the committee's report and moved its adoption:

Your committee begs to report the following bills, without amendment:

Bill Pr61, An Act to revive the Migraine Foundation;

Bill Pr66, An Act respecting the City of Mississauga.

Your committee begs to report the following bills, as amended:

Bill Pr44, An Act respecting the High Street Recreation Complex of St. Thomas and Elgin;

Bill Pr53, An Act respecting the City of Toronto.

Your committee will recommend that the fees, less the actual cost of printing, be remitted on Bill Pr44, An Act respecting the High Street Recreation Complex of St. Thomas and Elgin, and Bill Pr61, An Act to revive the Migraine Foundation.

Motion agreed to.

STANDING COMMITTEE ON ADMINISTRATION OF JUSTICE

Mr. Brandt from the standing committee on the administration of justice reported the following resolutions:

That supply in the following amounts and to defray the expenses of the Ministry of the Attorney General be granted to Her Majesty for the fiscal year ending March 31, 1987:

Law officer of the crown program, \$4,675,000; administrative services program, \$69,157,000; guardian and trustee services program, \$9,492,000; crown legal services program, \$28,658,000; legislative counsel services program, \$2,007,000; courts administration program, \$119,971,000; administrative tribunals program, \$12,377,000; and

That supply in the following supplementary amount and to defray the expenses of the Ministry of the Attorney General be granted to Her Majesty for the fiscal year ending March 31, 1987:

Administrative services program,
\$2,007,900.

STANDING COMMITTEE ON SOCIAL DEVELOPMENT

Mr. R. F. Johnston from the standing committee on social development reported the following resolutions:

That supply in the following amounts to defray the expenses of the Ministry of Labour be granted to Her Majesty for the fiscal year ending March 31, 1987:

Ministry administration program,
\$10,060,600; industrial relations program,
\$6,915,100; labour relations board program,
\$6,470,300; occupational health and safety
program, \$33,824,500; employment standards
program, \$6,890,200; human rights commission
program, \$5,677,500; workers' compensation
advisory program, \$3,300,100; and

That supply in the following supplementary amounts and to defray the expenses of the Ministry of Labour be granted to Her Majesty for the fiscal year ending March 31, 1987:

Ministry administration program,
\$1,824,900; workers' compensation advisory
program, \$1,034,000.

INTRODUCTION OF BILLS

PUBLIC LANDS AMENDMENT ACT

Hon. Mr. Kerrio moved first reading of Bill 203, An Act to amend the Public Lands Act.

Motion agreed to.

Hon. Mr. Kerrio: Today I am introducing a number of amendments to the Public Lands Act. These amendments, which are long overdue, will bring the act up to date and improve my ministry's ability to manage crown lands effectively, efficiently and economically.

Some 87 per cent of all Ontario is crown land administered under the Public Lands Act. It is a responsibility that neither I nor my ministry takes lightly. The amendments I am proposing to the act will give the Ministry of Natural Resources the power and authority to manage these lands in a manner consistent with the new approach taken by this government, and will allow us to use our crown lands as a development tool.

For example, one amendment will increase fines for infractions of the act to a more realistic level and thus seek to deter them. As well, people

who illegally dump or build on crown lands will be made liable for the cleanup and rehabilitation of these lands. Another amendment will see a variety of work permits replaced by one multi-purpose work permit. This commonsense approach will not only reduce the red tape, but will also have the added benefit of making it easier to control harmful operations being conducted without authorization.

The general purpose of these amendments is to correct weaknesses and shortcomings in the existing act as identified to us by the people of Ontario. I believe the amendments will result in improving the quality and product capacity of our crown lands and waters, which will be to the obvious benefit of all.

1510

MUNICIPAL STATUTE LAW AMENDMENT ACT

Hon. Mr. Grandmaitre moved first reading of Bill 204, An Act to amend the Municipal Act and the Education Act.

Motion agreed to.

Hon. Mr. Grandmaitre: This legislation provides the authority to implement a uniform county-wide assessment where the council of a county and the majority of the local municipalities within the county request this type of assessment update.

Under a uniform county-wide assessment, the assessments pertaining to all properties within a county are adjusted to a common base by property class. It provides that where uniform county-wide assessment has occurred, regularized assessment updates utilizing current market values will be made at least every four years.

Cette mesure apporte également des modifications au mode d'imposition pour permettre aux municipalités locales, au comté et aux conseils scolaires intéressés à percevoir le même taux d'imposition pour les propriétés résidentielles, ainsi qu'un taux uniforme pour les propriétés commerciales de chacune de leurs juridictions.

This change will provide a significant improvement to the property tax system that now exists for the 26 county areas in this province.

RESIDENTIAL RENT REGULATION AMENDMENT ACT

Ms. Bryden moved first reading of Bill 205, An Act to amend the Residential Rent Regulation Act.

Motion agreed to.

Ms. Bryden: The purpose of the bill is to amend the exemption provision in clause 4(3)(a)

of the Residential Rent Regulation Act, 1986. In order to eliminate the exemption for buildings operated or administered but not owned by the government of Canada or any agency thereof, this bill will bring under provincial rent review an apartment complex in my riding named Main Square, which was built by a private builder with mortgage money from Canada Mortgage and Housing Corp. but which is not owned by CMHC. Limited dividend apartments also built with CMHC mortgage money are already under provincial rent review, and this bill simply puts the two classes of buildings on an equal footing with regard to rent review.

REGIONAL MUNICIPALITIES AMENDMENT ACT

Hon. Mr. Grandmaître moved first reading of Bill 206, An Act to amend certain Acts Respecting Regional Municipalities.

Motion agreed to.

Hon. Mr. Grandmaître: I am pleased to introduce for first reading today the Regional Municipalities Amendment Act.

Ce projet de loi apportera plusieurs amendements aux règlements établis pour les municipalités régionales. Il permettra, par exemple, à chaque conseil régional de disposer de pouvoirs bien définis pour fluoriser son eau potable. Il aura également pour effet d'assujettir chaque conseil régional à l'article 112 de la Loi sur les municipalités, qui interdit aux conseils municipaux d'accorder des primes à des entreprises commerciales.

This legislation will also make several amendments to individual regional statutes. For example, it will permit the Ottawa-Carleton regional council to establish a day care service area and set up a 911 emergency response system for the benefit of the residents of the entire region.

DISTRICT MUNICIPALITY OF MUSKOKA AMENDMENT ACT

Hon. Mr. Grandmaître moved first reading of Bill 207, An Act to amend the District Municipality of Muskoka Act.

Motion agreed to.

L'hon. M. Grandmaître: J'ai l'honneur de présenter aujourd'hui, pour la première lecture, un projet de loi visant à amender la Loi sur la municipalité du district de Muskoka.

This legislation, unanimously requested by the councils of the district and local municipalities, changes the allocation of the planning authority to create a full two-tier system. At present, the authority to adopt official plans and amendments

is assigned only to the district level. With the proposed amendment, all local municipalities will be able to prepare and adopt their own official plans and amendments, as is the case in most other regional-type municipalities.

PLANNING AMENDMENT ACT

Hon. Mr. Grandmaître moved first reading of Bill 208, An Act to amend the Planning Act 1983.

Motion agreed to.

Hon. Mr. Grandmaître: I am pleased to introduce for first reading today the Planning Amendment Act.

Les modifications envisagées dans ce texte de loi auront pour effet d'augmenter l'efficacité de la Loi sur l'aménagement du territoire, tout en respectant ses principes fondamentaux.

The contents of this bill have been discussed with the Association of Municipalities of Ontario, the Urban Development Institute, the Ontario Municipal Board and affected provincial agencies. All are in support of the intent of this bill.

MUNICIPALITY OF METROPOLITAN TORONTO AMENDMENT ACT

Hon. Mr. Grandmaître moved first reading of Bill 209, An Act to amend the Municipality of Metropolitan Toronto Act.

Motion agreed to.

Hon. Mr. Grandmaître: I am pleased to introduce for first reading a bill to amend the Municipality of Metropolitan Toronto Act. This legislation will make several amendments to the act. For example, it will set out the functions, powers and duties of the Metropolitan Toronto Library Board.

Il aura également pour effet d'assujettir le conseil de la communauté urbaine à l'article 112 de la Loi sur les municipalités, qui interdit aux conseils municipaux d'accorder des primes à des entreprises commerciales. Il apportera aussi un léger ajustement aux limites de la communauté urbaine de Toronto avec les régions de Peel et de York pour tenir compte d'une modification du tracé d'une route.

This legislation will also make a number of housekeeping amendments to the act.

ORDERS OF THE DAY

THIRD READINGS

The following bills were given third reading on motion:

Bill 127, An Act to revise the Surveyors Act;

Bill 156, An Act to amend the Securities Act;
 Bill 159, An Act to amend the Insurance Act;
 Bill 189, An Act to amend the Mining Tax Act;

Bill 192, An Act to amend the Regional Municipality of Hamilton-Wentworth Act and the Municipal Elections Act.

EQUALITY RIGHTS STATUTE LAW AMENDMENT ACT

Hon. Mr. Nixon, on behalf of Hon. Mr. Scott, moved third reading of Bill 199, An Act to amend the Equality Rights Statute Law Amendment Act.

Mr. Speaker: All those in favour, say "aye."

All those opposed will say "nay."

In my opinion the ayes have it.

Motion agreed to.

CITY OF HAMILTON ACT

Mr. Charlton moved second reading of Bill Pr15, An Act respecting the City of Hamilton.

Motion agreed to.

Third reading also agreed to on motion.

CITY OF MISSISSAUGA ACT

Mrs. Marland moved second reading of Bill Pr59, An Act respecting the City of Mississauga.

Motion agreed to.

Third reading also agreed to on motion.

WILLIAMS CREEK GOLD QUARTZ MINING CO. LIMITED ACT

Mr. McFadden moved second reading of Bill Pr60, An Act to revive Williams Creek Gold Quartz Mining Co. Limited.

Motion agreed to.

Third reading also agreed to on motion.

TOWN OF WASAGA BEACH ACT

Mr. McCague moved second reading of Bill Pr64, An Act respecting the Town of Wasaga Beach.

Motion agreed to.

Third reading also agreed to on motion.

MENTAL HEALTH AMENDMENT ACT

Hon. Mr. Nixon, on behalf of Hon. Mr. Elston, moved second reading of Bill 190, An Act to amend the Mental Health Act.

Hon. Mr. Elston: The minister on the move has returned and I thank my colleague the Treasurer for moving second reading of this bill.

I was busy discussing the bill with my colleagues in the opposition parties with respect to what might follow in terms of our committee deliberations on this very important amendment that is being proposed.

On January 28, I introduced the amendment to the Mental Health Act to replace an amendment that was passed by this House last December during the third reading of omnibus Bill 7, which was entitled the Equality Rights Statute Law Amendment Act. The December amendment removed authority from a psychiatric review board to order treatment for involuntary psychiatric patients when they have refused consent or, in the case of incompetent involuntary patients, when the patient's representatives have refused.

Today, I am moving second reading of an amendment to restore the review board's authority to order treatment, but with new safeguards, terms and conditions to protect a patient's rights; and of course electroconvulsive therapy will be excluded from the review board's mandate. For ECT to be administered, the consent of an involuntary patient or his representative will be required.

I have introduced this amendment because I am strongly convinced that the legislative change made in December will hinder, not benefit, the provision of necessary mental health services in Ontario. I believe my conviction is shared by most members of the House, as evidenced by the decision to delay implementation of the December amendment until later this year.

I know my conviction is shared by a great number of professionals in the mental health field and by many families of psychiatrically disabled people. I would like to quote from letters for a moment, as is the wont of people dealing with health bills in this House, but I do not intend to speak about or quote at length from those letters I have received as a small sampling of public opinion in the community.

I received a letter from the Psychiatric Nursing Interest Group and I will quote just a small portion from that letter:

"Because we work with such situations every day, we feel that legislators in the name of human rights have ignored a basic right of the mentally ill, the right to receive appropriate care and treatment in the least restrictive environment."

I received the following from the head of psychiatry at the Queensway General Hospital:

"The removal of the review board process to ensure the effective treatment of certain psychiatric patients could be detrimental to both the patient and the public at large. We at the

Queensway General Hospital strongly feel that the review board section of Bill 7 should be revoked."

From the chairman of the Ontario Friends of Schizophrenics, I understand a letter was sent to all party leaders saying the following:

"Let us not deprive the individual of the opportunity to get well which is the most important objective of the family. We feel that the present system of review boards should be retained and empowered to make treatment decisions."

From the president of the Canadian Friends of Schizophrenics, there is the following:

"We urge you to press for a reopening of this issue. There is still time to act before the amendment to clause 35(4)(a) becomes effective on April 1, 1987."

Of course, Bill 199, which I believe has received or will receive third reading shortly, will extend the April 1 deadline to June 1, which gives us adequate time to deal in committee in a very open fashion with the important issues which have been brought to a head by the amendment to Bill 7.

1530

From the executive director of the Royal Ottawa Hospital, there is the following excerpt:

"The very purpose of a mental health hospital would be compromised. The hospital would begin to accumulate individuals who are not, in fact, patients but are put in the custodial care of the hospital. A rapid deterioration of service would be experienced, entailing a most regressive development for modern psychiatric practice."

From a citizen whose wife is undergoing severe mental instability, the following is an excerpt:

"I agree that human rights must be extended to all. This right must surely be extended to those who wish to prevent potential violence or danger and to those who wish that someone near and dear to them can be helped."

Finally, a letter from the parents of a psychiatrically disabled son:

"We love our son very much and want him to obtain the help that he desperately needs without hindrance, or does society want this young life to be thrown away?"

Members can see the emotion that is built into the correspondence I have received. It is obviously clear that we must, in a very open and full fashion, discuss the ramifications of how the proposed amendments that I have introduced for

discussion might be explored to improve upon the care in the situation we are now faced with.

I think the evidence is clear. We must move with dispatch towards the passage of the amendments as suggested, so that we can again adopt good practice in the care of our psychiatrically disabled in Ontario.

Mr. Andrewes: I rise to indicate that we will be supporting Bill 190. The bill goes some way to answering a number of concerns that were raised during the debate on Bill 7 with respect to treatment orders that are secured or issued by review boards for incompetent patients.

I also want to indicate that the amendments place certain safeguards on the process. For instance, the amendments require doctors now to give reasons why they believe a patient should improve. The amendments require the board to give reasons why it is issuing its orders. The amendments, as well, prescribe terms and conditions by which the treatment prescribed by the review board should be carried out.

It is not our desire to impede sick people from getting well. The minister read from a number of letters he had received. I think all of us have received similar types of letters expressing similar concern on both sides of this issue. It is not our desire to see the process grind to a halt and to prevent sick people from receiving the appropriate treatment.

I think the important thing in supporting this bill is that we have begun a review of the process by which treatment orders prescribed by a review board are issued and carried out, and that is the most significant and important aspect of this amendment that is before us.

What we want to achieve in this process is to provide the appropriate and necessary treatment that will help people get well and to protect the patient's interests, the rights of that patient and the interests and rights of the patient's family members, if they exist, when medical practitioners seek these kinds of review orders from a review board.

I am a little hesitant to read from samplings of letters I have received because, as I said, they are similar to letters the minister has received. However, perhaps it is in order for me to read briefly from one letter I doubt the minister received. It says:

"It is my belief that this amendment strikes an appropriate balance between individual rights and collective responsibility. I urge you to assist in moving the bill quickly to committee, where an important public discussion can occur concerning these important issues. It is my hope that

all points of view can be examined to assist us to deal with this extremely important matter."

This letter was signed by "Murray J. Elston, MPP for Huron-Bruce, Minister of Health."

I did not expect the minister had received a copy of that, but I thought it might be appropriate to put his views on the record if he is hesitant—and he usually is not—to do so himself.

We look forward to the discussion we will have in committee. It is an important process of consultation, as the minister points out in his letter to a number of individuals, I am sure—although I cannot verify that—including myself. There is no indication that letter has had wide circulation; I just assume it has.

A number of groups are very anxious to come to the committee and tell us of their experience with respect to the orders issued by review boards. As a member of that committee and as one who speaks in this Legislature as a critic for our party, but one who has not had the formal experience or training of many of these concerned individuals who will be able to offer us their experience and background, I am looking forward to that process of consultation and discussion.

Mr. Reville: It is with some chagrin that I take part in the debate. It is not that the debate should not be occurring, but I was delighted in December when the amendments to Bill 7 proposed by my colleague the member for Ottawa Centre (Ms. Gigantes) were supported by the Conservatives and, therefore, passed into law. Those were amendments I had been working towards for about 20 years, so my view of this matter is clear and firm. There is no question that the matter we are debating is a difficult one; there is also no question that feelings are very deep and views are very firmly and deeply held about the matter.

No one would want to deprive an individual of the right to get well. Regrettably, there are a large number of factors that conspire to prolong illness or perhaps to cause a recurrence of illness. One of the factors is that the government has failed to provide adequate community mental health services and programming. When a person is discharged from hospital after having suffered an acute bout of illness, he has an inadequate level of support to allow him to stabilize his life and very often ends up back in the hospital.

The record of readmission to psychiatric hospitals in Ontario is a particularly dismal one. It is my view—and it is a view that is shared by many of my colleagues who are active in the delivery of mental health services—that one of the

primary reasons for recidivism of mental illness is the inadequacy of community mental health programming, which this bill does not address in any way.

1540

The issues that surround the bill are difficult issues and are difficult for society to cope with. They are particularly difficult when a loved one is involved. Over the years, I have had many opportunities, perhaps even more than the Minister of Health has had, to discuss these matters with members of the various chapters of the Friends of Schizophrenics. Recently, I was delighted to accept an invitation to speak to them at their annual general meeting. This was the Ontario chapter of the Friends of Schizophrenics. We discussed issues that for them, for me and I am sure for other members of this House, are of the utmost importance.

As we go into the debate, it is important to realize that we should not confuse the contents of Bill 190 with questions of the circumstances under which a person may be committed. That is not being dealt with by this legislation, although it is a part of the climate in which we must deal with the legislation. Many of the letters that have been received by members of the Legislature, and certainly by me, relate to concerns people have about the circumstances under which our society thinks it is appropriate to deprive someone of his liberty. In fact, those circumstances are that they must be seen to be a danger to themselves or to others.

Many of the Friends of Schizophrenics are concerned about the difficulty they have in convincing psychiatrists that a relative is a danger to himself or to society and therefore is a person who may be held against his will. That certainly is one of the problems.

The other issue that gets confused when we are talking about the right to consent is the issue of competence which, like the issue of commitment, is also a legal question and also is not dealt with by this legislation, and which the psychiatric profession has been loath to deal with particularly well, saying, and perhaps quite rightly, that its competence does not go particularly well to the legal question of competence.

Again, the question of competence is not dealt with except peripherally by this legislation, but it is one of the issues that is central to the debate. It is and has been my contention for many years that if a person is competent, then his competency should extend to the right of absolute consent; that is to say, because he is competent, he has a right to be involved in his treatment to the extent

that he may refuse to accept a particular course of treatment, the length of a course of treatment or all treatment, if that is what he wants to do.

The incidence of a patient refusing all treatment is quite rare. In spite of the vagueness of the statistical information, it is my understanding that the number of treatment orders issued each year under the legislation that was amended by Bill 7 and that would be further amended, if Bill 190 were to carry, is very few, perhaps in the order of 50 to 70. That is a speculative number because the review boards do not keep statistics in that way; but in conversations with review board chairmen, one of whom told me that in the past year he had issued only three treatment orders, it appears that the bulk of their work does not deal with the question of treatment and consent to treatment. It deals, in the main, with the questions of committal and competency.

We are not talking about a huge problem, nor do I believe there is much credibility to the concern that our psychiatric wards and psychiatric hospitals will become jails or become clogged with people who refuse treatment. I find that kind of rhetorical sally somewhat irresponsible. I am aware that the existence of a difficult patient in a ward of 22 people can disrupt that ward and that there may have to be ways to prevent the refusal of one patient to accept treatment from having an impact on the rest of the patients who have not refused treatment.

Clearly, society does not want to throw away any lives. We must strive to set in place programs, policies and legislative protections that will minimize the loss of life. I do not believe, nor do a considerable number of other people and groups, that protecting the civil rights of a psychiatric patient will in any way contribute to the throwing away of life. I sympathize deeply with those who have lost a family member through suicide. I sympathize particularly because I too have lost a member of my family through suicide and so I have an understanding of what an unbearable pain and anguish that can be to a family.

We do not always know whether a timely intervention is going to deliver the effect we hope it will deliver, but we do know and we must insist on the right of the individual to be autonomous and to be a partner in whatever treatment that individual and the medical profession and the parts thereof jointly decide on. There is some evidence, regrettably not enough, to suggest that treatment that is administered against the will of a person is not very effective treatment. That is the logical conclusion one might arrive at.

Of course, some will say, "What if a person is in no position to make appropriate decisions about his life?" That kind of question gets handled under the competency heading. If it is the view of the attending physicians that someone is not competent to make decisions about his treatment and is unable to understand the nature of his illness or the prognosis which would attach to the illness under specific types of conditions, then we must rely on a process, and it must be a due process, to decide the question of competency.

Once that question is decided, there are opportunities for treatment to be ordered, except in the case where the substitute decision-maker says that a particular treatment should be refused. I would also advance that very strongly as an appropriate response by a substitute decision-maker and one which should be not only understood but also supported.

1550

There are some sections in Bill 190 which deal progressively with the question of how we pick substitute decision-makers, but I would put it to the Legislature, and particularly to the Minister of Health, that assuming he were competent and wanted to direct his decision-maker to refuse a particular kind of treatment in the future, such as electroconvulsive therapy or a massive drug therapy of a particular kind, his wish, expressed at the time he was competent and then advanced to the attending physician through a substitute decision-maker at the time he becomes incompetent, if he should be so unfortunate, should also be respected and should not be overturned by any process or by any quasi-judicial tribunal.

Finally, let me say that appropriate treatment has some subjective qualities to it; it must have some subjective qualities to it. Who is it in society who we believe should be the one who decides what is appropriate treatment? Should it be the physician; should it be the patient; should it be the substitute decision-maker?

In the end, I feel very strongly that these amendments, in the main, are not about care and are not about treatment; they are about power. In terms of the doctor-patient relationship, we have to be particularly vigilant to ensure that the patient has access to the power the patient needs. I think that is what the absolute right to refuse is about, and that is why I feel strongly that the amendments suggested by the Minister of Health are inappropriate.

I do look forward to the hearings. The minister may be surprised to learn how many sectors of the health profession agree with my position.

including the psychologists, the social workers and, indeed, some medical doctors. A large group of civil rights activists and mental health professionals will want to come to the committee and say just that.

I also would welcome, as I know he will, participation by people who feel otherwise, because we do need to sort out these issues so that we can create a circumstance, both a legislative framework and a care program, that will best meet the needs of the people of Ontario for good health in a context of strong civil liberty.

Hon. Mr. Elston: With respect to a couple of those comments, I want to indicate quite clearly that I do not expect unanimous presentations on the part of the people who are involved in the system. In fact, the committee stage is there so we can have a very thorough airing indeed of the issues. I agree with the honourable gentleman that it needs to be done. I do not think a thorough debate on these issues was done when the amendment to Bill 7 was passed. The gentleman might agree with me, appropriately, that this type of committee is very much required so that we can set our minds specifically to this item.

I want to indicate a couple of things. First, the legislation does provide an expanded definition of competency, and we may want to talk a little about the relevance or at least the extent of that definition in committee, but at least it is already provided in the amendment.

I might also indicate that we do not have a situation where involuntary patients refuse treatments as a rare item. There are many such deliberations being held. We understand that at our 12 boards we are doing at least one of these per week per board, so there are a number being considered in the 12 boards we currently have.

The other item is that it seems to me we have gone a little bit further as well in the sense that we have provided in the amendment, inadvertently, the ability of a relative of an involuntary incompetent patient to refuse absolutely, even in the situation where a patient, if competent, might very well choose to receive treatment.

There are a number of those items which we will be able to deal with during committee time in a very thorough manner. I am looking forward to those discussions so that the Legislative Assembly can turn its collective mind to precisely providing the good health care that the people of the province require.

Mr. Reville: In reply, I am interested to hear the minister say that each of the 12 boards does a treatment order each week. It was not information I was able to get, and I hope this information

will be available to the committee so that in fact we can understand the scope of the problem.

I certainly think his remarks are totally credible. My problem was that I was unable to get any statistics from the review board, and what I got was anecdotal information from a couple of chairmen, who did indeed indicate that treatment orders were a very small portion of their business, between five and seven per cent, which was how I arrived at my numbers. I agree that in some jurisdictions the request for treatment orders may indeed be larger.

The other issue is that it is possible that in some institutions the psychiatrists decline to apply for treatment orders for some reason or another, and of course we will have to get evidence on that score to discover why that might be.

I appreciate the minister indicating he did not believe that the input to the committee would be totally unanimous; I am sure that is correct. I again look forward to this debate taking place, and I would like to point out that in fact in a large number of jurisdictions, and for many years in our jurisdiction, this debate has been going on, perhaps not at a recent committee, and many jurisdictions have mental health legislation that is very similar to that generated by Bill 7.

Mr. Henderson: I welcome this opportunity to speak to Bill 190, the Mental Health Amendment Act, 1987. I have much to say and so very little time that I am therefore going to speak more quickly than I would otherwise wish to do.

I want to say that I am no stranger to these matters. I have a long-standing interest as a practitioner in mental health legislation, and during my time in public health I learned something of the practice of other jurisdictions as well. When I was in Barrie, I was in charge of the hospital's clinical unit and responsible for the hospital's interpretation of mental health legislation and for monitoring compliance with it hospital-wide.

As a member of the council of the Ontario Psychiatric Association, I participated in discussion, and sometimes debate, about mental health legislation. Over the years, I have frequently written to successive Ministers of Health setting forth what I feel to be a point of view on behalf of patients with psychological disorders.

A few months ago we passed an amendment in this House posed by the member for Ottawa Centre that would have made treating competent involuntary patients virtually impossible without their consent and incompetent involuntary patients without their next of kin's consent. There is a part of my nature, and I would call it the part

that I identify with my humanist and civil libertarian side, that applauded that amendment.

Personally, I have usually resorted to considerable mental and legalistic gymnastics to avoid certifying patients. Especially I have loathed having to treat patients who did not wish treatment. Like many physicians, I would die a little death whenever circumstances required that I do that.

It is foreign to my whole nature as a human being and to my ethic of compassion and caring as a physician to impose help on people who do not wish it. What mental health care is all about, in my view, is helping people grow. It is not easy to see how one can best help people grow if one begins by stripping them of liberties and inflicting treatment as though it were a punishment imposed for evildoing.

Good mental health care rests upon the idea of a therapeutic alliance wherein a clinician and a patient contract, work together and collaborate with each other to help an individual understand the nature and meaning of his or her symptoms, gain a greater sense of being in the driver's seat of his or her own life and gather insight about what makes him or her the kind of person he or she is.

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I am speaking of a collaborative attitude. Attitudes are not luxuries in mental health care; they are central ingredients of the treatment process. A therapeutic alliance is, above all, an alliance. An alliance is not something that can be imposed on one individual by another.

All of these points, which I have practised, written and taught young doctors about, presume a patient is able to appreciate at least in a general way the nature of his or her mental processes and able to make a realistic assessment of his or her state of mental health. A patient who cannot appreciate that a physician is there to be helpful to him or who is tormented by paranoid delusions or equally difficult naïve idealizations poses a serious dilemma in this process of striving for a therapeutic alliance.

I am assuming for purposes of this discussion that the physician is not colluding, presumably unconsciously, in the patient's need for such paranoid or idealizing attitudes. I assume, as presumably the legislation should assume, a competent and well-intended physician, just as we assume in drafting legislation a patient who is genuinely suffering and genuinely reaching to be helped by a professional in whom he is prepared to invest at least a certain trust and confidence.

These assumptions do not always apply, because physicians are not of equal excellence in

what they bring to care-giving and patients are motivated by far more complicated things than simply a wish to be helped. We make those assumptions in the drafting of legislation because we want to assume good faith on both sides of the therapeutic contract.

I outline these points of mindset and attitude because they are critically important in mental health care and because we legislators and most citizens often take them for granted. We ought not to take them for granted, because mindset and attitude dovetail with various parts of the therapeutic process and therapeutic environment. We legislators sometimes tinker with that environment to the potential serious detriment, ultimately, of patients.

I mention these points also because I want to stress that I am much, though not entirely, in sympathy with the amendment we passed some months ago put forward by the member for Ottawa Centre.

I might say that I especially find, as a physician, the treatment known as electroconvulsive therapy or shock treatment to be repugnant. I have administered that treatment rarely and not for the past 15 years. I doubt I will ever administer it again, certainly not if I can help it. Aside from the way I feel about it, I am troubled by the lack of information about how it works. As a practitioner as well as a legislator, I am a pragmatist and I am quite prepared to reach when I have to for whatever succeeds. After half a century of use and thousands of excellent research and other studies, we are little, if any, closer to a definitive understanding of the mechanism of action of ECT.

However, as a medical practitioner, I have had to bend all these convictions, sentiments and reservations a little to the evidence I have seen. I have seen men and women whose lives have been wrecked for months, whose perceptions and experiences are smashed and maimed beyond recognition, and have been for months, return to a state of apparent normalcy and peace of mind in the course of a day or two as a result of three or four ECT treatments. I have seen patients in catatonic stupor, frozen and immobile, unresponsive, uncommunicative, totally neglecting their nutritional and other physical and emotional needs to a point of physical illness, and sometimes near death, restored to a state of relative normalcy in a day or two, after weeks or months of apparent total detachment from reality and, by all accounts, intense suffering.

I might add that what we all saw in *One Flew Over the Cuckoo's Nest* bears no resemblance to

how ECT is administered in a modern mental health facility. Movies are for entertainment; realities are something different. Whether or not the patient consented to treatment did not, in my experience, seem to influence its dramatic helpfulness. I believe certain treatments work as well regardless of whether consent is given. Incidentally, the treatment is always given under anaesthetic.

In examining this issue of the place of ECT, I speak as one reluctantly persuaded by the evidence, not as one who is disposed to like the nature of the treatment, because I definitely do not. Mental health professionals worry that they will have patients in their facilities who are certifiably involuntary and cannot be discharged but who refuse treatment and cannot be helped. The professionals worry about becoming custodians or even glorified jailers.

In rebuttal, it is often said that patients who are involuntary are therefore necessarily incompetent, so we need not worry about having a situation wherein competent involuntary patients need to be treated against their will. One of the suggestions I will make presently is that we redefine mental competence, as indeed this legislation attempts to do, to make that assumption more like reality. At the moment, in my opinion, it is not. Patients can easily be involuntary and competent both.

For example, a man or a woman who sinks into a psychotic depression on the anniversary of a parent's death and insists on spending every hour of every waking day kneeling at the parent's gravestone is neglecting himself or herself in a way that brings great anguish to those who love and care about that patient and works grievous injury to the patient's own mental health. Yet the patient may be in no threat of imminent or serious physical impairment, may not be hospitalizable as an involuntary patient or may be so only with great difficulty and with some considerable stretching of the criteria. That patient may be quite mentally competent by traditional criteria of what constitutes mental competence.

Such an individual can be very difficult to treat, and often enough patients in such categories have had to be allowed to continue to suffer and to inflict great suffering on their families because their caretakers could not feel, or could not feel with any confidence, authorized to offer simple, safe treatment almost certain to be effective.

I recall another example when I was involved personally in the hospitalization of an emaciated academic who had been living in reclusive filth

and squalor and near total self-neglect since he developed a serious mental illness in his 30s. The criteria for certification had just been changed from threat of serious bodily harm to threat of imminent and serious physical impairment in the then revision of the Mental Health Act. This patient really did not meet those new criteria, but his doctors, of whom I was one, bent the law because to fail to do so would have been cruel.

Our mental health professionals should not be placed in that kind of situation, but it happens often. I speak from experience in saying these situations are not rare. They are familiar occurrences in the experience of every practising physician who deals with patients with psychological disorders in a hospital setting.

Some patients whose lives and families are wrecked by mental illness are less at risk of imminent and serious bodily harm than those of us who take Highway 401 or the Gardiner Expressway to work. Presumably they are less mentally healthy, but I suppose even that can sometimes be questioned. That is meant to be a joke, folks.

Be that as it may, it is true that society's criteria for involuntary hospitalization have little to do with the presence of evidence of mental illness and our criteria for involuntary treatment have only partly to do with the potential helpfulness of treatment—that in the name of guarding civil liberties—but surely compassion and caring about people have a place in this debate as well.

I want to make the following brief comments on some particular points of this bill. My first point, for the reasons I have outlined, is to wonder if there ought to be a mechanism, albeit a mechanism with many safeguards, for administering ECT to involuntary patients who are not incompetent and do not consent, when the evidence is overwhelming that it would be much in their best interests and an act of humanity and compassion to do so. Alternatively, we could arrange a tougher definition of mental competence so that these situations could arise less frequently or never.

Suffice it to say that it is a very difficult thing indeed for a caring clinician to see a patient continue to suffer and inflict great suffering on those who care about him or her, when the clinician knows full well that straightforward treatment methods are available which would end this untold, ongoing agony. Believe me, this is not a theoretical issue. I have watched it unfold time and time again as director of the clinical unit

in Barrie, and I have agonized over it personally as a practising physician.

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A second point has to do with the requirement in this bill that when next of kin give consent on a patient's behalf, they do so, if possible, on the basis of what the patient's wishes would be when apparently mentally competent as a priority over what the consenter may deem to be the patient's best interests. Surely that begs the whole process.

For example, it would mean that when a patient whose condition was deteriorating, and who had as an involuntary but competent patient refused treatment, became incompetent in the course of deterioration, he could still not be treated on the authorization of the next of kin because the next of kin would know that while the patient was competent he refused treatment; that would have to govern whether treatment would be authorized after the patient had deteriorated.

That requirement pre-empts the whole aim of consent by next of kin or other appointees. The criterion ought to be that the agent or next of kin would give or refuse consent on the basis of the patient's best interest, or if that is not possible to determine, on the basis of some kind of determination of what the patient's wishes would be were the patient free of mental disorder.

Respecting the patient's wishes when competent, though it appears to be a gesture in the direction of the patient's civil liberties, in fact might condemn him to irreversible clinical deterioration, because while sick, involuntary yet still competent, he had once refused treatment. With humanity such as that around, who needs to be afraid of inhumanity?

I know this is not the minister's nor the government's intent. I urge that every consideration be given to correcting that anomaly in future, if not in this revision of the mental health legislation.

Treatment ought to be given or refused by the patient or his agent on the basis of the patient's best interests: what he or she would wish if of sound mind and able to appreciate the nature and effects of his or her disorder, the nature and effects of treatment and the consequences of withholding treatment. If the patient cannot make such a determination, then others must do so on the patient's behalf, and that surely ought to be the aim of this notion of consent by next of kin or proxy.

My third point pertains to the matter of obtaining an opinion from psychiatrists from

outside facilities when review boards are to decide matters of treatment. The idea of requiring an outside psychiatrist seems a reasonable one, yet in practice it can be impossible to obtain if the nearest outside psychiatrist is in a small community hundreds of miles away and is not paid in such a way as to compensate him for the day or more of his time that may be required to travel to the facility where the patient is to offer his opinion.

To pay the doctor for the time he would have to spend would be a partial remedy, but there may still be occasions when to obtain that outside psychiatrist's opinion is simply not practical. Moreover, it may not be necessary. A reasonable compromise would be to allow the outside consultant to be not necessarily a psychiatrist but a family physician who is not a member of the medical staff of the psychiatric facility but who understands mental health issues.

I speak from personal experience on that as well, recalling times when we had great difficulty obtaining or even were unable to obtain such an outside psychiatrist to visit our unit in Barrie. Knowing that, it seems to me that communities even more remote than Barrie would pose situations where it would be virtually impossible or impossible to do so quickly enough to avoid clinical injury. I should not say "even more remote than Barrie," because Barrie is not remote; I mean remote communities.

In my opinion, it would be better to settle for an outside physician, not necessarily a psychiatrist. The review board can always decide if a greater level of expertise and specialization is required. If so, it can help make the necessary arrangements.

I have a final point on payments and costs. This legislation is complex. I know that, because I have experienced it and I have experienced that the time required of an attending physician to comply with these requirements can be enormous.

A hearing before a board requires that a doctor cancel other patients' appointments. Cancelling psychotherapy appointments can create enormous problems for the future course of therapy. It goes far beyond the simple act of the patient and the doctor having to rearrange their appointments; issues of accountability, loyalty, trust, alliance and mindset are cast in bold relief by such occurrences and can undermine months of difficult and painstaking therapeutic work, and even precipitate a brand-new set of psychiatric emergencies.

Add to these vexations the fact that the doctor is apt not to be compensated for the time he spends in such review processes and in preparation for them, and one finds a real deterrent to doctors taking on administrative responsibilities that will involve them in these kinds of hearings, and a real incentive to find some way to shuffle legally complex patients to one side and let someone else look after them.

Mental health legislation has become more and more complex in recent years in an attempt, I hope, to safeguard patients' interests. One result of that complexity has been that an increasing number of doctors find ways of sidestepping the patients who present such complex legalistic issues, and the patients may receive worse, not better care. Even just to learn the complicated legal requirements, which do not fall easily into a physician's mental set, requires a substantial amount of time for learning, ongoing upgrading and relearning every time the act is changed and amended.

I therefore urge that consideration be given in this or future revisions to this act to providing, through the Ontario health insurance plan or through some other mechanism, compensation for our physicians for the time required to attend to such essentially nonclinical, legalistic requirements and the attendant demands on their time. How else can we expect a doctor to be willing to book off half a day, a day or even more to consult with, let alone participate in, the kind of safeguarding process that this legislation prescribes.

Let us not delude ourselves about the cost of these reviews. I have heard estimates of the costs—taking into account the value of the time of the participants, the bureaucratic requirements, the legal advisers and, incidentally, not counting the cost of the doctor's time, which is usually provided free—at about \$10,000 per hearing. That is not an argument against attending to our patient's civil liberties; it is a plea for sobriety and reason and some attention to cost in our efforts to be fair to the taxpayers as well as to our patients.

These are my comments and suggestions. I hope they will be seriously considered in this and future revisions to the mental health legislation of this province. If I speak as a physician—and I am partly doing that today—I can find many points to criticize in Bill 190, and yet I also speak as a politician and as a legislator. I know the kinds of political pressure brought to bear upon the process which has led to these revisions, because

I have participated in those kinds of processes on many occasions.

I temper my therapeutic conscience with my conscience, sensitivities and sensibilities as a legislator and as a citizen. All of us in this chamber are deeply concerned about the civil liberties of patients with psychological disorders, yet none of the members, I venture to say, much more than I. These ideas of humanity and compassion, civil liberties, rights to treatment are no mere buzzwords for me. I care greatly about such matters, as I am sure do all of us in this chamber.

In the balance, I think this bill embodies many points of reasonable compromise between civil liberties and rights to treatment. I have heard from constituents expressing great concern about Bill 190, lest patients needing treatment be unable to obtain it. I know of fears of psychiatric patients and of their families that we err too much in the direction of attending too little to the rights of patients to have their symptoms treated.

I have heard from organizations of discharged psychiatric patients and I have heard from organizations representing patients with specific kinds of psychological disorders. I share their concerns that we be courageous enough to ensure that Ontarians have assured access to the finest mental health care available and that right to treatment is prominently factored into the legislative process.

I know also about the concerns of civil libertarians, and I share those concerns as well.

In the balance, I will therefore support this legislation and recommend that careful consideration be given in committee, and perhaps in future revisions, to some of the points I have put forward in these remarks.

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The Acting Speaker (Mr. Morin): Questions and comments?

Ms. Gigantes: I have a question and a comment combined, if I may. I appreciate the fact that the member for Humber has talked about his own experience with the use of electroconvulsive therapy, his personal feelings about using electroconvulsive therapy, and his statement that he is troubled personally that doctors lack knowledge about how ECT works. I would like to ask him whether he feels we have a greater degree of knowledge about the effects of some of the very powerful psychotherapeutic drugs that are in use in our psychiatric institutions. Do we know more about how they work?

Mr. Henderson: I would not want my remarks to be misunderstood. I think my words

were, "We do not have definitive knowledge." There is a tremendous amount known about ECT. To say there are volumes and volumes and volumes would indeed be an understatement. There is a lot of good research and some excellent and well-tested theories. My comment about lack of definitive knowledge is simply a way of saying what I think many physicians understand well, and that is that when theories, data and research studies proliferate and continue to proliferate, it means they are not converging on a particular point of view, and I think that is the case.

I would not want to convey that ECT is a poorly understood modality of treatment. It is not. It is well understood, but there is no consensus on any one or two simple ways of understanding how and why it works.

Ms. Gigantes: The mechanism?

Mr. Henderson: The mechanism of action.

The research on its outcome—outcome studies and clinical effectiveness studies—is clear. It works very well, and it works very well regardless of whether the patient consents. But the mechanism of action, I think, would engender some divergence of opinion.

On the matter of psychotropic medication, so-called psychodysleptic drugs, to some extent that is true, although I think it is safe to say there is quite a bit of consensus and quite a bit of agreement about that area, which is not, incidentally, an area I personally am expert in, in an academic sense. But there is a good deal of agreement about psychotropic medications and how and where they work; more agreement, I think, than exists about ECT.

Ms. Gigantes: Is the mechanism of drugs understood?

Mr. Henderson: Yes; mechanisms. It has to do with the depletion, and reversing the depletion, of certain chemicals and neurotransmitters in nerve endings which are important to the determination of mood states.

Mr. Runciman: I have a few brief comments in support of the bill. It is regrettable the minister had to take this course of action. I do not believe the original amendment should have passed, but unfortunately, I did not have any input into that decision.

From the start, I want it to go on record that I am in favour of reforms in the psychiatric facilities of this province. I also want to point out that one of the largest psychiatric facilities in Ontario is in my riding. I am reminded that not too many years ago there were 2,000 patients in the Brockville hospital. Today there are about

500. How did that come about? Not by patients refusing treatment, but by the use of medication that was unknown 50 years ago.

I have not studied the report of the electroconvulsive therapy committee, but apparently the amendment to Bill 7 made by the member for Ottawa Centre was based on the use of shock treatment to bring people out of deep depression when all other means failed. If that is the case, why does she not simply be specific, instead of making her amendment a sweeping generalization by using the term "treatment," which can mean many things?

She notes too that patient advocates have been placed in a difficult position, because review boards have the authority now to rule on treatment if a patient refuses. That same advocate program is headed by former NDP candidate Dr. Tyrone Turner, and at present I believe the government is still conducting a review of the effectiveness of the advocate program.

My point is that there are too many unanswered questions generated by the amendment of the member for Ottawa Centre. Her amendment negates the authority of the review board, which very democratically listened to all sides and where the patient is represented by a lawyer and family members in most cases. Such reviews are most thorough, and decisions, both for and against treatment, are open to appeal in the courts. The doctor too has a right to appeal a decision. Is this system to be negated?

Then there is the most elusive term, "mentally competent." Looking around the House I sometimes wonder how many of us would pass. Being mentally competent and being incompetent to administer one's affairs are, as I understand it, vastly different. One is certified mentally incompetent to administer financial matters, but that does not necessarily mean that one is not mentally competent to make judgements in other matters. I am told they are entirely different designations.

In other words, the present act provides that a mentally competent person, who may be certified incompetent to handle financial affairs, has the right to refuse treatment and testify before a review board. "Mentally incompetent" would mean the patient is not able to instruct counsel. Very few patients fall into this category and if they do, the present act provides for a substitute decision-maker, such as next of kin, etc.

Is this amendment aimed at destroying the patient-doctor trust even more than is already being done by the process? I would suggest that before the member's amendment could be

considered for proclamation, much more input is essential, and the minister's bill will accomplish that.

Doctors, nurses and families of patients deserve to be heard, and what about the municipalities? Should they not be invited to provide input? Are we listening to only those who have had little or no experience in the wards of psychiatric hospitals?

In years past, the Progressive Conservative Party provided enlightened legislation to protect the rights of patients in psychiatric hospitals, legislation such as the new Mental Health Act of 1967 and the revisions and amendments of 1980, three in all, one of them dealing with authority to treat under specific conditions.

Review boards were also created in 1967-68. This safeguard of rights, the review board, assured that every patient had a day in court with his or her own lawyer, provided through legal aid, if necessary.

Thus, in the recent past, we have seen two major revolutions take place in psychiatric care in Ontario: (1) the new medications and (2) the review board process.

Perhaps the most important point I want to make is this: Will the amendment of the member for Ottawa Centre help the patient get well as soon as possible, will it result in patients refusing medication and being turned out into the streets, as is done in many states in the United States, or will it mean they will languish untreated in psychiatric facilities for years and years?

There is also a legal point of interpretation of the term "treatment." Does it also mean that certification will no longer be legally allowed unless the patient agrees or is committed by a court of law? If hospital staff is unable to treat patients, how are they supposed to get well? Treatment of mentally disoriented people has become a legal quagmire, one that is turning more and more good doctors away from psychiatry. They have become paper-pushers extraordinaire.

I wonder if the member for Ottawa Centre has had any experience with mentally ill people. Their treatment is more complex than what meets the eye and it takes 10 to 20 years' experience to really know what mental illness is all about. Yet we have lawyers and politicians acting as though they are more experienced than psychiatrists. It is a sad day for this much-maligned profession.

This amendment could make the role of the doctor ineffective. It is also a condemnation of medications that have revolutionized the treat-

ment of mental disorders and made it possible for thousands of patients to return home.

The aim of treatment is to make the patient well as soon as possible. I do not believe the member's amendment will make that possible. It will simply aggravate an already complex situation. I think it would be a tragedy if people with mental illness have to suffer needlessly because of the member's amendment, all because they will have the right to refuse treatment.

I am one of those who feels that patients have the right to freedom as long as they are not an immediate danger to themselves or to others or their illness does not pose a potential for serious physical impairment. When such is the case, the certification is lifted and the patient is free to go. Often, though, this means the person remains ill but the illness is controlled by medication, and as long as it is taken, the patient can or should be able to function in society.

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Regardless of contrary views, I believe the medical profession is interested in the rights of patients; but it is also very interested in the best interests of patients, which means keeping them alive and well and not letting them commit suicide or harm another person because of uncontrolled mental illness. Mental illness, as anyone knows, has a habit of interfering with the ability of people to make safe judgements about their own lives or the lives of others.

It is a given that there are no cures for schizophrenia or some of the other major mental illnesses, but antipsychotic medications are effective in reducing the severity of, or sometimes suppressing entirely, most psychotic symptoms. Granted, this means that many patients must remain on medication indefinitely, but so too do many people with high blood pressure, diabetes, epilepsy, arthritis, etc. Should we also avoid symptomatic treatment such as insulin and antiarthritic and antihypertension medications?

All medical treatments bear some risk. The question to answer is, "Is the risk taken justified by the benefits that you expect to receive?" Antipsychotic drugs, I am told, have virtually no life-threatening risks. There is a risk that some patients may, and I stress "may," develop some abnormal muscular movement after a long time on some medications, but medications for hypertension, etc., also have side-effects. I ask the House: If a mentally ill patient is enabled to lead a more normal life by taking medication, should politicians deny him that right?

How many patients might be inclined to refuse treatment? As I understand it, most schizophre-

tics pass through early stages characterized by denial of all help; anger; attempts at a self-cure with diets, which are often fatal; exercise and fitness regimes to work the "evil" out of their systems, and religion. At this stage they refuse all help. Next they move to a state involving paranoid symptoms and violence, especially if they believe they are being poisoned or others are going to assault them.

There is no known cure for mental illness, I am told. There are treatments that will stabilize it; treatments that are many times refused out of hand by people who are mentally ill. What could happen to them under Ms. Gigantes's legislation? They are sufficiently ill to be certified, not too ill to refuse treatment. Should they then be kept as involuntary patients for years or turned out into the streets to harm themselves or others? The member's amendment is saying to the world, "We do not trust psychiatrists and mental health care staff." Where will the help come from for people who refuse treatment?

What about hospital staff? How many are injured every year? If Ms. Gigantes's amendment—

Mr. Speaker: You are referring to the member for Ottawa Centre.

Mr. Runciman: My apologies, Mr. Speaker.

If the amendment of the member for Ottawa Centre to Bill 7, which Bill 190 is trying to overcome, were to receive royal assent, how many hospital staff would be injured? I predict it will get much worse than it already is in terms of injuries to staff, and it is a significant problem now.

Over the years, we have built a great many safeguards into the system. Review boards and patient advocates are there to protect patients' rights. The amendment of the member for Ottawa Centre means, in my view, that this assembly no longer has any faith in review boards and advocates. I urge support of Bill 190.

Ms. Gigantes: As my colleague the member for Riverdale (Mr. Reville) indicated, we will be supporting this bill on second reading in principle. We are doing that not because we approve the bill, in particular sections 5 and 6, but because we approve the notion that when we move forward in the area of reform of our mental health legislation in this province, it is best to do that with as wide and firm a public consensus as possible on the way in which we are searching for progress.

The manner in which the amendment I have put forward on behalf of my party was dealt with during the course of discussion of Bill 7, which,

as you are aware, Mr. Speaker, went off and on in the standing committee on administration of justice of this Legislature and in committee of the whole House, was over a year. The manner in which the debate took place was sometimes fairly fractured. We were dealing with a bill, Bill 7, the equality rights legislation, that affected about 75 pieces of Ontario statute. Because we were dealing with many items of a great deal of interest to various groups in the province, we had significant debate around some of the amendments that came through Bill 7, affecting some of our statutes—for example, the Human Rights Code—and in other areas, the debate was really not perhaps as deep or as wide as it should have been.

What Bill 190 offers us is an orderly and, I hope, full discussion of the very important issue of a competent patient's right to refuse treatment, and here we speak of the psychiatric patient. We all know that other patients have the right to refuse treatment and we all know that other patients, like psychiatric patients, may take a doctor's advice and engage in what the member for Humber (Mr. Henderson) called a contractual agreement with a doctor about treatment or not. In fact, when the patient sees a doctor and the doctor prescribes treatment and that treatment is drug therapy, medical patients who are not psychiatric patients, as well as psychiatric patients, very often do not comply with treatment orders.

We do not worry about those kinds of patients very often, because very often they cause no significant disorder in our society; whereas with psychiatric patients, as we know, for families and indeed for communities, individuals can cause an enormous amount of disorder, pain, suffering, anxiety and worry. In fact, when we look at the question of treatment of psychiatric patients, in many cases what we are looking at is not the patient as a central figure but the suffering family or the distressed community.

In some ways I think we have to admit to ourselves that when we look at this question and the balance we attempt to achieve in considering the rights of the person who is a psychiatric patient and the professional therapeutic drive of the doctor who is involved in the case, there is another element that we very often take into account without readily acknowledging it—and I think we should discuss it in the course of this debate—and that is the family and the community.

I see that three elements go into our decision-making around this question. It is a philosophical

as well as practical question. It is a question of health and it is a question of the inviolability of the person.

Some of the remarks that were made today have made me feel I would like to get up here and speak for two hours on the subject, because it is a very important subject. I will refrain from doing that now because I think it better that we should leave intense discussion until we have had further hearings on the subject. I look forward personally to those hearings, and I have a great deal of optimism that the Minister of Health may discover that a consensus he does not think exists will emerge from those hearings and the discussion of the very important issues that will be contained in those hearings.

I would like for one moment to touch on the items of the bill on which I have some concerns. I have indicated already that the question of consent to treatment, affected by sections 5 and 6, is elemental in terms of our concern about this legislation.

There are sections of the bill that we are very glad to see and would have welcomed a year ago had they been put forward then as government amendments through the Bill 7 process. Those are changes to the definitions of "nearest relative" in order to provide a better system of substitute consent-giving in a situation where a psychiatric patient is determined to be not competent; they are also changes to the way in which a competent patient may appoint someone while competent to be the substitute consent-giver. That seems to us to be a very progressive move. It was not welcomed when we suggested this kind of amendment for the government's consideration in the spring of last year. Through this whole process, month after month, as we have moved forward in one area, we have discovered that the government is willing to consider another area in which progress and reform can occur, and we are pleased about that.

1640

I have questions which I hope the minister and his staff will be able to answer about the way in which this legislation is designed to treat the question of competency. That, of course, is an elemental question when we are considering the matter of the right to refuse treatment and how this legislation is intended to rope in categories of patients not previously affected by the sections now being amended. I speak here of the outpatient, the former patient and the voluntary patient. I hope the minister will give us the benefit of some explanations of just how much extension is being made in the proposed legisla-

tion to the notion of competency review of ex-patients, former patients and outpatients. All these matters need to be looked at very carefully, in my view, and I have questions about how the bill approaches them.

I would like to close by reminding members of this Legislature that in spite of what the member for Humber suggested to us, we have not had many rounds of review of mental health legislation as it affects these questions in Ontario. The last round was in 1978. We began another round a year ago, and this is a long process of discussion we are into right now.

The doctors, psychiatrists, the people who run our psychiatric institutions as administrators and so on have not been forced through enormous re-education programs every month and a half to learn the ramifications of legislative consideration and decision on matters of mental health. It is just nonsense to suggest that. We have not been jarring them unnecessarily, and I think that even the member for Humber will have to understand that the discussion of the question of the right to refuse by a competent patient has been intimately involved in public considerations and government review over a process of many years. It led, finally, to the publication in December 1985 of the so-called Electro-convulsive Therapy Review Committee, which took for ever to come forward with its recommendations.

I remind members of the House that though the mandate of that review committee was limited to the consideration of whether patients who are competent have the right to refuse electroconvulsive therapy, its very deep consideration of this matter and of the question of what constituted competence and a proper system of substitute consent-giving led it to consider what should be the position of a competent psychiatric patient in regard to any kind of treatment.

I am going to read into the record, for the benefit of those who are involved in this discussion, what the ECT review committee said in December 1985. I quote from page 72 of the report:

"There must be established a process for the determination of competency in a judicial or quasi-judicial manner"—not by a psychiatrist; there were lots of psychiatrists and psychiatric professionals represented on this committee—"...and that unless an individual is determined by this process to be incompetent to make treatment decisions, such individual should have the absolute right to consent to or refuse treatment, and this decision should not be subject to review."

The committee recommends that the Mental Health Act be amended accordingly."

They were talking here not just of the use of electroconvulsive therapy in Ontario but the use of any psychiatric treatment on a competent patient. We have built up a much better understanding of the issues involved in our mental health legislation over the past 10 years than had been understood for decades before. It is time we should, because the variety and strength of psychiatric therapy have greatly changed in the past decade. The power and effectiveness of drug therapy have bloomed in the past decade to the benefit of thousands of psychiatric patients. There is no doubt about that. Nobody denies that and nobody would take away from it. Nobody would want to see the situation reversed.

However, the very power of those new drugs leads us to the point where we have to ask ourselves why electroconvulsive therapy should be separated from other therapies in terms of the competent patient's right to refuse. The government is suggesting we can isolate electroconvulsive therapy and say that no competent patient shall be forced to have electroconvulsive therapy. On the other hand, this legislation, Bill 190, would say that all other therapy, excluding psychosurgery, can be forced on a patient by a review board decision if the doctor wishes to appeal the refusal of a competent patient.

If there is one area in which I think there is common agreement between what the member for Humber calls clinicians and the point of view for which I speak on this matter, it is that if you are going to allow a competent patient to refuse a specific treatment, it does not make sense to isolate out electroconvulsive therapy. There are drug therapies that are just as terrifying in terms of their physical implications. In spite of what the member for Humber suggested a few minutes ago, I think we would find very few knowledgeable in the field of psychotropic drugs who would suggest that we understand the mechanisms by which they work.

I have said enough for now. I look forward to our discussion. I hope during the course of that discussion we will achieve within this Legislature and in the broad public a real consensus of opinion about this very important matter of providing that psychiatric patients who are competent have the right to refuse treatment.

Mr. Harris: I am very supportive of this piece of legislation. In one area, I agree with the member for Ottawa Centre. I think it is a disgrace this area was not aired previously; it should have been looked at in a far more serious vein at the

time Bill 7 was being looked at. There were concerns expressed by our party on electroshock therapy. There is room for change. Some of the changes now being proposed make a lot more sense than what is there and what was there.

I am pleased to indicate my personal support for this. I too look forward to the hearings. I enjoyed the remarks of the member for Humber who indicated his concern and the balancing act that must be played by doctors in these situations. I do think it is very unfortunate that it appears the minister did not treat this problem seriously when the bill was brought in; that is why we now are going through this exercise.

Motion agreed to.

Bill ordered for standing committee on social development.

1650

ARCHITECTS AMENDMENT ACT

Hon. Mr. Nixon moved, on behalf of Hon. Mr. Scott, second reading of Bill 197, An Act to amend the Architects Act, 1984.

Hon. Mr. Scott: I am about to plead absence from the chamber. The parliamentary assistant will be speaking to the House on this bill.

Mr. Ward: The purpose of the bill is to provide for the Ontario Association of Architects to put in place a self insurance plan so that the professional architects of this province can carry on their business and meet the requirements of the act. A further amendment extends the indemnity coverage of the board to the nonarchitect members to be indemnified against possible actions as a result of the carrying on of their duties.

Mr. Partington: I am pleased to indicate my party's support for this bill. The need for this act arises out of the continuing insurance crisis, which has prohibited many architects from obtaining insurance at affordable costs and has prohibited some from obtaining insurance at any cost. A recent survey indicated 35 per cent of practising architects are currently uninsured.

Certainly, the decisions of private insurers should not dictate who practises architecture and who does not. At reasonable cost, this act will permit architects to self-insure, provide protection for the public and protection for the professionals against liability. Let us hope the government does some work to ensure all those in the public get similar help in the near future.

Mr. Breaugh: I want to indicate our support for the bill. I want to quote briefly from the

compendium that has been so kindly provided to us by the Ministry of the Attorney General:

"Because of the recent insurance crisis, many architects have been unable to obtain insurance sufficient to meet their needs at affordable costs. Some have not been able to obtain insurance at any cost. The Ontario Association of Architects believes that the decisions of private insurers should not prevent the practice of architecture by persons qualified to practise."

Amen to that. I anticipate with great fervour that having done this for the architects of Ontario, the government will next do it for every person in the province who drives an automobile.

Motion agreed to.

Third reading also agreed to on motion.

COUNTY OF OXFORD AMENDMENT ACT

Hon. Mr. Grandmaitre moved second reading of Bill 178, An Act to amend the County of Oxford Act.

Hon. Mr. Grandmaitre: The purpose of the legislation is to alter the boundary between the township of Norfolk and the regional municipality of Haldimand-Norfolk and the town of Tillsonburg in the county of Oxford. This will implement an agreement that was adopted by the councils of all four affected municipalities in September 1985 after two years of negotiations and meetings.

The implementation of this boundary agreement will mean that the town of Tillsonburg obtains 345 acres of much-needed land for the expansion of its industrial park. Included in this acreage is a substantial area that will serve as a rural buffer between the agricultural activities of Norfolk township to the south and industrial activity in Tillsonburg to the north. The implementation of the boundary agreement will also mean that seven acres will be annexed from Tillsonburg to the township of Norfolk. This will consolidate the farm holdings of a single owner in one municipality.

The enactment of this legislation will resolve a dispute over land use planning in the urban fringe of Tillsonburg that has gone on for more than a decade. I am very pleased that the agreement will shortly be implemented and warmly congratulate all four municipalities on their patience, co-operation and hard work in having worked out a reasonable solution to this dispute.

Boundary agreements under the Municipal Boundary Negotiations Act, 1981 are normally implemented by means of order in council. This is not possible in this case because the change will alter the boundary between the county of

Oxford and the regional municipality of Haldimand-Norfolk. As a result, legislation is necessary and I sincerely hope all members will join me in supporting it.

The legislation also contains minor amendments of a housekeeping nature. For example, these will repeal two redundant provisions in the act and remove the requirement that the selection of redeemable debentures be made at an open meeting of county council. Most of these amendments were enacted for the regional municipalities in Muskoka in December 1986.

Mr. Partington: I wish to indicate my party's support for this very important bill.

Mr. Breaugh: I express our support for the bill. The members will know that I love annexation bills; they are one of my favourite topics. It is unfortunate the local member is not present to participate in this debate but that is the way it is sometimes. In this instance, we will be happy to support a negotiated settlement that requires a little legislation to help it along.

Mr. Sterling: On a point of order, Mr. Speaker: I think it is only a courtesy to indicate that the member who represents this area now is sitting in the Speaker's chair and normally would have been in his seat had he not been fulfilling those other duties.

The Deputy Speaker: That is really not an appropriate point of order.

Motion agreed to.

Bill ordered for third reading.

1700

MUNICIPAL STATUTE LAW AMENDMENT ACT

Hon. Mr. Grandmaitre moved second reading of Bill 179, An Act to amend the Municipal Act and certain other Acts related to Municipalities.

Hon. Mr. Grandmaitre: This legislation will make a wide variety of useful amendments to the Municipal Act. It will also make a number of related and complementary amendments to other statutes, including the Local Improvement Act, the Municipal Elections Act and the Surveys Act.

I do not propose to take the time of the House to describe all these amendments. Indeed, many of them are of a housekeeping nature and do not require any explanation or elaboration. However, I do want to point out to the members some of the more important provisions of the bill. One such provision will authorize each city council to change the title of its members from alderman to councillor, if it wishes to do so. Another important provision will permit all municipal

councils and local boards to provide supplementary benefits to their retired employees. This is a matter of real concern in many municipalities. The legislation will be very helpful to retired municipal public servants and their families.

The legislation will also enable municipalities right across the province to participate in gypsy moth control programs by establishing and operating aerial spraying programs. At present, only counties are authorized to work with private land owners in combating the infestation of forests by gypsy moths.

The legislation contains an important group of provisions that will enable county councils, with the consent of their local municipalities, to transfer responsibility for existing county bridges on local roads back to the local municipality. At present, there is no procedure for such a transfer. The key element in these provisions is that the transfer of a bridge will be able to take place only with the agreement of both the county council and the affected local municipality.

Finally, the legislation will allow municipalities to deal with unassumed municipal roads that have been closed by a judge's order in the same way as assumed municipal roads that have been closed by a municipal bylaw. This change will be beneficial to municipalities, while still ensuring that the interests of neighbouring land owners are carefully protected.

Mr. Partington: I am pleased to rise to indicate my party's support for Bill 179. I note with interest many sections of the act but particularly, as the minister indicated, section 2, which authorizes municipalities to designate council members as councillors rather than aldermen. This is in recognition of the very important role women in our society increasingly play at the municipal level, as at all levels of government.

I particularly want to refer to subsection 20(2) which authorizes municipalities and local boards to make payments on behalf of retired employees, their spouses and children, with respect to life and medical insurance and on behalf of retired employees with respect to insurance under the Health Insurance Act.

In many cases, this will help alleviate a gap where employees retire before the age of 65. Until now, in many cases those benefits have been in suspension and not paid. I indicated to the minister some months ago that this was a priority, having been contacted by employees of the St. Catharines Hydroelectric Commission who were caught in that gap. I am pleased that it

is contained in this bill and that this bill is being passed today.

Mr. Breaugh: I concur in the remarks that have been made. We support this bill. By and large, it is a collection of requests that have been made by various municipalities over a lengthy period of time.

I want to pick out two sections and give credit where credit is due. The first is the section that makes reference to use of the word "councillor." There has been a little movement among municipalities, spearheaded by a woman who has served the council in London, Wilma Bolton. She has served that municipality well and has been trying for a number of years to have this small change made; it is not insignificant but is not exactly full force. This proposal would allow the municipalities, if they care to, to use the term "councillor." It does not seem like a big thing but it took quite a long time to get it into a legislative proposal. I am aware that Wilma and others have been working for two or three years to get this change made and there are others who have been working on it for longer than that.

The other section I want to mention is the section that allows municipalities and local boards to make benefit packages available to retirees. Again, on the surface this is such a simple, straightforward, practical proposal that one wonders why it took government, to my knowledge, at least seven years to get it into law. I am sure members may understand better than the general public that government works in a very slow process. It drags on and on. This is one that I am happy to support today and I regret that it took so long. The previous administration agreed to this change in the Municipal Act about five years ago—it was that straightforward a matter—and it has taken this long to get it to the floor of the Legislature.

There have been private members' bills on it. I have a little resolution in Orders and Notices again this year to do the same thing. At the same time, I want to praise the minister for getting this thing together and getting this act before the House so that we can support it. I want to kind of condemn the process without identifying any particular individual. There are a number of straightforward items such as these two proposals that have come from the municipalities over the years. It does seem to take an eternity to get them into legislative changes. I really do not know what the problem is.

I know that previous ministers, in private conversation, agreed to both of these changes. They agreed that they were sensible suggestions.

that they were straightforward and that they would not cost a great deal of money. Changing the name to "councillor" might in some instances, but it is a matter of some concern to people who now are elected to municipal councils and who are doing a good job. The councils themselves agree that a slight name change was not going to be a great expense or a great inconvenience to anybody. It is something the councils have wanted to do. For the life of me, I do not understand why it takes so long to make these changes.

At any rate, we are grateful that they are here before us today and we are happy to support them.

Mr. Harris: Obviously, our party's support is being given to this bill. I want to follow up a little bit on the comments by the member for Oshawa (Mr. Breagh) about the amount of time it takes to bring these in. The bill was introduced in December. I know the member is particularly concerned about the amount of administrative time it appeared to take to get it into bill form. Let me tell him what else happens: This bill was of such low priority that it was not until yesterday that it was indicated we would even be ready to proceed.

I want to congratulate all my colleagues and the critics of the various ministries, who were not given very much time and who had intended to comment on the entire budgets of all the ministries of the government. We cut that back to about eight or 10 of the ministries and concurrences we had intended to do for the full order of business today. Quite frankly, had it not been for the critics in my party and in the third party, who agreed to forgo that time, this bill would not have been done today. It probably would have received the same priority and been shuffled to the end of the list. It probably would not have been done in the spring session either.

I would like, and I think it is fair, to say a few words on behalf of those who have given up very valuable time for looking at massive budgets and who have concerns for the way some of these budgets are being spent. Through this process, we now will spend approximately 50 minutes talking about the entire budgets of all ministries of the government.

1710

Mr. McLean: I have just a few comments to make about it. After moving second reading, the minister indicated with regard to the roads and bridges that they could be turned back with the agreement of both parties. I would like him to clarify for me: If the local municipality does not

want to accept those roads, how is this bill going to make it accept them? I know that now, when some of the bridges over the Queen's highways in the province are turned back to the local municipalities, they do not always want to accept them, but they do so. Is this bill going to make those local municipalities accept those bridges?

Hon. Mr. Grandmaitre: The answer is yes. I do need the agreement of the local municipalities for this transfer. I can assure the member that the municipalities in Haldimand-Norfolk are very much aware of this and have all agreed to it.

The Deputy Speaker: Is there any other honourable member who wishes to participate in the debate? If not, this concludes the debate.

Hon. Mr. Grandmaitre: I would like to thank my critics, the member for Brock (Mr. Partington) and the member for Oshawa (Mr. Breagh). The member for Oshawa has been bugging me for some time to bring this bill to second and third reading. He has been very interested and has helped me along. I want to thank them both for their co-operation.

Motion agreed to.

Bill ordered for third reading.

CONCURRENCE IN SUPPLY, MINISTRY OF THE ENVIRONMENT

Mr. Mitchell: I would like to raise a few points with regard to concurrence in supply for the Ministry of the Environment, particularly in the light of many problems we have in the national capital region—I am talking specifically about Ottawa-Carleton—that demand a strong hand on the part of the Minister of the Environment (Mr. Bradley) to ensure that certain things are accomplished.

I have raised in this House the situation of getting rid of waste from a certain establishment in Ottawa-Carleton. It was proposed to dump the waste into the regional landfill site in Ottawa-Carleton. I raised the question but I have not had any direct reply from the minister himself, although members of his staff have informed me they are keeping on top of it and it will be handled properly.

I still feel we have to know precisely what testing is going to be done on the materials. I am not going to use the company name here, but the minister will be aware of it. I want to know what testing is to be done and I would like an assurance from the Minister of the Environment that he and the responsible persons in the local office will know exactly where that material will eventually be disposed of.

It is not sufficient to say that if the testing shows it to be nontoxic it could be dumped there, because I am afraid, by the way it was handled by the Ministry of the Environment offices, the people will always be suspicious. Let us face it, the Minister of the Environment also knows the Trail Road sanitary landfill site is itself suspect today.

He is also aware that during this period, there have been two studies done in the region on new locations for sanitary landfill sites. Quite frankly, I believe the minister should be prepared to acknowledge to this House the steps that are being taken with regard to soil that was contaminated because of an oil spill by the National Capital Commission at its site in Ottawa-Carleton, which was also dumped without prior approval, I believe—but I stand to be corrected on that—at the Trail Road site. That site is leaching. It is not a good situation, and I believe this House, but certainly the members from Ottawa-Carleton, need to be assured that all of the proper steps are being followed by the Ministry of the Environment and that the people of Ottawa-Carleton will be kept well informed as to what is happening.

Mr. Sterling: I am very disappointed that the Minister of the Environment is not in his seat, because I wanted to evoke from him a response in terms of his stand on a very important issue. He has talked at great length about different environmental issues across this province, but he has failed to meet or even talk about the most important one in terms of dealing with the possibility of saving thousands and thousands of jobs in this province each year.

Of course, I am talking about the problem of dealing with secondhand smoke in air space in buildings, both in the work place and in the public place. We have a Minister of the Environment who has said nothing with regard to this very significant problem, probably the greatest environmental problem as far as much of the Ontario public is concerned. I ask each and every member here—

Interjections.

The Deputy Speaker: Order. The member for Carleton-Grenville has the floor.

Mr. Sterling: I seem to be evoking some response from the member for Haldimand-Norfolk (Mr. G. I. Miller), who of course represents a number of tobacco farmers, and I understand his concern with regard to this whole matter. In fact, I think he speaks for the government on this particular issue, because they

are ignoring the whole issue of tobacco smoke both in the public place and in the work place.

But let me say this: If there were an environmental disaster and if 35 lives were lost today because of an environmental problem, a toxic spill of some sort, that would be on the front page of every newspaper; it would be the headline story on every television newscast and every radio newscast. Yet that is what is happening today. Today 35 to 40 people are going to lose their lives prematurely because of this addictive habit, on which this government will not take a stand.

Hon. Mr. Scott: What addictive habit?

Mr. Sterling: Nicotine is an addictive habit, and the Attorney General (Mr. Scott) knows it.

Hon. Mr. Scott: I have been converted to your cause. I have quit smoking.

Mr. Sterling: The Attorney General is trying to indicate to us that he has quit smoking since January 1. Perhaps he can speak with more authority if he is re-elected after the unnecessary election of 1987, which the Liberals intend to call, and can make the same statement a year from now.

What I would like to ask the Minister of the Environment is, what is he going to do to protect the environment of thousands and thousands of people? Some 11,000 to 12,000 will die prematurely in Ontario this year because of tobacco smoke.

You know, when somebody famous in our province, in our country or in North America dies because of an addiction—we have heard on a number of occasions very sad stories about someone dying of an addiction due to drugs, he has taken an overdose of drugs; we can think of a number of very significant and noteworthy people who have died because of that—there normally is a great news story about that.

I want to tell the members of the Legislature that recently we had a very noteworthy Canadian, Margaret Laurence, die at the age of 50, prematurely, of lung cancer. Margaret Laurence was addicted to nicotine, yet there was no mention of the fact that she died prematurely and that all of the skills and talent of that woman could have been extended if she had not been addicted to tobacco, or we would presume that this was the case. I think if you look at it in that light—that you would be saving the tremendous talent of a number of Ontarians who could contribute for a longer period of time, as Margaret Laurence has contributed and could have contributed—then we would start to address this particular problem.

1720

I just hope the Minister of the Environment—I know his personal feelings on this issue; he is a nonsmoker—will have some influence over the likes of the Treasurer (Mr. Nixon), who is responsible for calling bills on behalf of the government of Ontario. I hope he will encourage the Treasurer to call bills like Bill 71, the Non-Smokers' Protection Act. It is time he did something, and he is going to hear from me until he does something.

Mr. Stevenson: I want to make a few comments regarding the Ministry of the Environment in these concurrences. It is interesting that the previous speaker was talking about being subjected to secondhand smoke. We have been carrying on, of course, the estimates of the Ministry of Northern Development and Mines over the last few days, and I noticed that throughout those estimates we have been subjected to the secondhand smoke of the Premier (Mr. Peterson).

Hon. Mr. Nixon: Oh, but he stopped smoking two weeks ago.

Mr. Stevenson: No, he did not; he was smoking, as a matter of fact, the last two days. He very clearly has not stopped smoking. He certainly makes sure that no cigarette is evident any time the cameras are in the hearings; but when the media leave, out come the cigarettes.

What I wish to dwell on is the situation with Lake Simcoe. Lake Simcoe, of course, is a lake that for many years has been recognized as one in which we must reduce the phosphorus loadings. It is in a situation right now where the weed and algae growth is sufficiently large that during the summer months, as these living plants die and go to the bottom of the lake, the oxygen involved in decomposing that material is used up and the whitefish and lake trout that like the deep cold water in the summertime—that is their preferred habitat—can no longer live in that habitat and must seek other habitats, warmer water at higher levels, in order to survive, there being no oxygen at all in many of those deeper holes by late summer. This has interfered with the reproduction of the cold water species, the whitefish and lake trout; and in fact, right now there is virtually no natural reproduction of whitefish or lake trout in Lake Simcoe.

In an attempt to resolve this situation, the previous government allocated a substantial amount of money—close to \$100 million—to put in new or improved sewage treatment plants around Lake Simcoe. The last few contracts associated with that have been honoured by this

government, and that work will in fact terminate this summer. The plants involved have been the extension of the York-Durham sewage trunk to pick up the effluents from Aurora and Newmarket that originally went into Lake Simcoe. Newmarket, I think, was hooked up just a year or so ago. We have a new sewage treatment plant in Keswick that was just completed; they laid the last pipe there just a matter of a couple of months ago. At the Barrie plant the low-phosphorus, add-on equipment has been completed. I believe the Orillia one is done. Right now they are working in Innisfil. That will be completed this summer, as I understand it.

That money has been allocated since about 1980 through until this summer, and the total commitment there is very close to \$100 million just for sewage treatment plants. That has substantially reduced the phosphorus loadings into Lake Simcoe, as of course we knew it would. It has been an absolute necessity.

The extra funds that are now required are related primarily to the needs of rural sources of phosphorus. Some of these are directly from farming, some are from stream bank erosion and some are from various other sources of phosphorus outside of agriculture. A Lake Simcoe strategy study has been going on for some years, and that strategy study reported to the Minister of the Environment and to this government in October 1985. Very little action has been taken since that time.

The request was for \$1 million a year for 10 years to address the long-term needs of Lake Simcoe. From what we have heard coming from the ministries involved, the submission that the staff prepared to go to cabinet was for \$1 million per year for five years. Even that would be a significant amount of money and something we would readily accept.

Unfortunately, from whatever information I have been able to obtain, that submission has yet to go to cabinet. With the Minister of the Environment being the vice-chairman of Management Board of Cabinet and with the Minister of Natural Resources (Mr. Kerrio) on Management Board, one can only assume that Lake Simcoe is not a terribly high priority on their list.

There has been a funding allocation of \$1 million per year for four years, along with the Ontario soil conservation and environmental protection assistance program II, which the Minister of Agriculture and Food (Mr. Riddell) announced a few weeks ago, but that money is allocated over several different watersheds across the province, and Lake Simcoe is only a

small portion of that total allotment of \$1 million for four years. If that is intended to be the response from this government to the Lake Simcoe strategy study, then that is totally unacceptable.

Clearly, this is a lake that needs continuing attention. If the oxygen levels at the bottom of the lake are at zero oxygen content for long enough, then the phosphorus will start being released from the sediment on the bottom of the lake. That becomes a secondary source, a very strong secondary source, that we must not allow to happen.

In the Holland River, at the south end of Cook Bay, there is such a low level of oxygen present for such a long time during the summer that phosphorus is now being released from the sediment in the bottom of that river. Not only are we getting the new allocations from all the various sources around there, but we are also getting significant secondary phosphorus added from the sediment. If that starts happening in the lake, then Lake Simcoe is in very serious trouble. This government will be held accountable for that because of its lack of action.

1730

It is significant that the municipalities in the watershed have become so upset with the lack of action by this government that they now are all sending resolutions of council to the Minister of the Environment (Mr. Bradley). In fact, the chairman of the Lake Simcoe Region Conservation Authority has become so upset with the lack of action that he now is writing to the Premier (Mr. Peterson) to try to get action on funding for continued work on Lake Simcoe. This is not a partisan political issue; it is a very real need for that lake and area.

Funding is definitely required to address the problems of the rural sources of phosphorus that exist there, which now are the major sources of phosphorus. Until recently, sewage treatment plants had been the major sources. That has been looked after or is about to be looked after because of the funding I talked about earlier. Now comes the tough stuff. Now comes the problem of looking for individual sources, largely along the tributaries. It will be a long, tedious job to reduce the phosphorus loading into that lake. It can only be done by significant allocations of funds by this government over a long period of years to seek out and correct these sources of phosphorus.

I have spoken in this House about this problem on many occasions. They have still not addressed the situation. I urge the Minister of the Environment and the Treasurer (Mr. Nixon) to get off

their duffs and do something to assist the local people, the local authorities and the farmers in that area to do their share to reduce the phosphorus loadings of Lake Simcoe and ease the stresses on those troubled waters.

Lake Simcoe is a very valuable resource for swimming, boating, sport fishing, cottages and so on. It is a major factor in the economy of central Ontario. I hope this government will see the light and put up \$1 million a year over five or 10 years to help that lake. That is a minimal commitment when one looks at the \$100 million that has gone in there over the last six years.

The Deputy Speaker: Does any other member wish to participate in this debate? If not, shall supply for the Ministry of the Environment be concurred in?

Mr. Harris: No, Mr. Speaker, I do not think so. I do not see the Minister of the Environment here. I do not think it is appropriate that we concur with his ministry's supply until the minister is here. I am in favour of standing this order down and carrying on. When we have the minister here, today or tomorrow or next week, we will be glad to deal with it.

Hon. Mr. Nixon: We usually get around to talking about next week, so we might as well start it now. I understand the Minister of the Environment defended his estimates for 15 hours in committee. He indicated to me that he would not be able to be here later this afternoon. My own feeling was that listing him early would be a convenience and that since we would get to it fairly early in the afternoon, he would be able to respond to the comments made by the members. That was not the case because there was appropriate debate, as we all agree, on the previous bills. I hope that the House will carry the concurrence at this time and that we can pass on to the other concurrences as agreed.

Mr. Harris: May I suggest that it be stood down to the end? Maybe we can have the parliamentary assistant or something. It is the first I have heard of this. My critic did not know and I did not know the minister could not be here. He did not choose to tell us. Is there not a parliamentary assistant for that ministry? I do not know whether today is a holiday for all the cabinet ministers and parliamentary assistants: it is not for me and it is not for my critics. I suggest standing it down and we will see whether we can get somebody here for the end of the day.

The Deputy Speaker: Do we have unanimous consent to stand down the concurrence in supply of the Ministry of the Environment?

Agreed to.

CONCURRENCE IN SUPPLY,
MINISTRY OF COLLEGES AND
UNIVERSITIES

Mr. McFadden: I have a couple of matters to raise with the minister today. The first relates to the current situation with the Ontario Institute for Studies in Education. A couple of weeks ago, during question period, I raised with the minister the status OISE would have as of the end of June, if the current affiliation agreement with the University of Toronto expires and no long-term arrangement has been worked out with the university by that time.

As the minister knows, if the affiliation agreement is allowed to expire with no new agreement reached with either the University of Toronto or another university, there is the very real and present risk that effectively OISE could cease to operate since all the students who are attending the institute could find themselves in a position where they would have nowhere to graduate from. Obviously, other parts of their program could carry on in terms of continuing education for the teachers throughout Ontario, but the whole area of degree granting and the affiliation with the university is a matter of real urgent concern for OISE.

The indication I have from reading the documents filed by both OISE and the University of Toronto with the government is that the current negotiations between the two institutions have broken down. From what I understand, the negotiations have been relatively successful in a lot of areas, but there appears to have been a breakdown in the area of money. I know that is a common complaint of all kinds of organizations. We are faced with a situation where most institutions would like more money from the province in one way or another, be they health care institutions, universities or other organizations.

I do not think the institute is asking for more money from the province at this stage, because its current budget appears to be adequate to meet its current needs. Certainly, if it were to take on the additional responsibility that might be entailed with the integration of the faculty of education with OISE, as was envisaged when the negotiations started, there would appear to be the need for some additional money over and above that which OISE has in its budget and that which the University of Toronto appears to be prepared to transfer to the newly integrated institution at this stage.

I raise this at this time because time is rapidly running out on the current affiliation agreement. I would be interested to hear from the minister anything further he might be able to report to this House as to initiatives the province is going to take or has taken to try to push this along.

My communications with faculty, as well as students affiliated with the institute, inform me there is a great deal of anxiety building. They know the negotiations between U of T and OISE have broken down at this time. They would like to know what their future and the future of OISE is going to be. It is not just a question of the full-time faculty and full-time students going to the institute. Teachers and trustees throughout Ontario have spoken to me about what the future will be of the ongoing programs OISE offers through its field offices across the province.

I would ask the minister whether he is in a position now to clarify in some way the status of negotiations and what efforts the province is prepared to put forward over the couple of months between now and the time the House is proposing to resume to try to break through this impasse. There are enough pressures in the education system today without adding the uncertainty that the current impasse has created with regard to the future of OISE.

1740

The other matter I would like to raise relates to a letter that I know a lot of members of this House have received and that I have not had a chance to raise with the minister himself personally. That relates to the continued existence and status of the Canada Christian College and School of Graduate Studies.

I must admit that this is not an institution that I have an intimate familiarity with. I have received correspondence, as I assume other members of this House have, in relation to the continuance of this organization and the need for this organization to secure degree-granting status. According to the correspondence I have received, the Canada Christian College is in a position where, if it does not secure the passage of legislation through this House in the near future, the college runs the risk of having effectively to go out of existence.

I am not clear at this time as to what the reason is for the logjam. From what I understand, the various approvals that would be needed for this have not been received through the ministry, and I wonder if the minister would explain to the House what the current status of things is with the Canada Christian College, what the attitude of the Ministry of Colleges and Universities is on

this particular matter and what steps might be taken to deal with this one way or the other.

I would say at this time I am not sufficiently knowledgeable with regard to the college to be able to comment one way or the other on their programs. It is just that it has been brought to my attention by a number of members that they have received letters on this particular subject, and I wondered if the minister could clarify where things are on this matter so that members could reply with some knowledge to the various letters that have been received.

Those are the comments I wanted to raise at this time, and I am wondering if the minister has comments on either or both of those matters.

Mr. Sterling: I wanted to ask—

Hon. Mr. Nixon: Many people are smoking in the universities.

Mr. Sterling: That is exactly right, because I recently had a constituent of mine talk to me about a very significant problem with smoking in the community colleges. I am referring particularly to Algonquin College of Applied Arts and Technology. Evidently, there is no nonsmoking policy in that particular institution, and students who want to go to the cafeteria to have a bite or a coffee cannot do so in any kind of clean environment.

I would also like to indicate to the minister—I do not know if he has heard any of my speeches on this before—but to reinforce the point, I want to indicate to him that there has been a dramatic increase in the number of young smokers in this province. It has gone up by 20 per cent over the last year, and if there is any place where we should take some leadership in this particular matter, it is in our learning institutions, where our young people are located. The group that is attending community college is the group the tobacco industry is after. We had 175,000 new smokers last year, and a lot of them are in community colleges.

I want to know what the minister is doing to implement nonsmoking policies in community colleges across the province. I do not want him to duck out by saying that these are run by an autonomous body, etc. He is supplying the dough. He has the right to make some stipulations as to the environment in these particular institutions.

Hon. Mr. Sorbara: I will try to make my responses to the various issues as brief as possible in view of the number of items left on Orders and Notices.

I am surprised at my friend the member for Eglinton (Mr. McFadden) raising in the same

speech, virtually in the same breath, issues relating to the Ontario Institute for Studies in Education along with issues relating to the right of Canada Christian College to grant degrees, but he did that and I am going to answer that in my few remarks.

I want to go over the history in respect of the Ontario Institute for Studies in Education and to point out to my friend that the policy of the government and the ministry has not changed since the announcement in the budget of many months ago now. However, he is right that the negotiations between the two institutions have broken down. He expresses some fear that time is running out because an affiliation agreement expires in June.

I want to point out to my friend the member for Eglinton and to the House that the affiliation agreement is not something that is mandated, required, demanded or provided for by government or by my ministry. It is something that is voluntarily entered into between two autonomous institutions. Having failed to come to a voluntary agreement between themselves for an amalgamation of the two institutions, I suspect negotiations will proceed very quickly to renew the affiliation agreement for yet another year.

I see no reason that should not happen; that is, to carry on under the regime that has existed over many years, successfully in the minds of some. Certainly, in my own mind, that affiliation agreement has been successful.

I regret the fact that the negotiations between those two institutions did not result in a unified agreement to effect an amalgamation within the policy context that the government has provided. As we stated many months ago, our options remain to analyse the two submissions put in by the two institutions and to determine what course of action we might take. I, for one, am not concerned that the affiliation agreement will not be renewed. I have encouraged both institutions to proceed down that course while government studies further the submissions that have been made individually.

As far as Canada Christian College is concerned, the fact is that the board of directors of the college is seeking the support of the ministry in the context of a private member's bill that can be introduced in this House by any member who determines to sponsor such a bill. I have not seen any bill introduced into the House. I do not know of any bill, but I have advised Canada Christian College that at this point, having done a review of sorts, the ministry would not be in a position to

support such a bill should it be introduced into the House and sent to the appropriate committee.

That does not mean a member cannot introduce such a private member's bill. A committee of the Legislature could consider it and allow it to proceed on the normal course. I have advised the director of the college that he may want to take that avenue. I have also advised him that he can seek the political support necessary to have such a private member's bill passed in this House, but in the context of a committee hearing, I would not yet be in a position to support such a bill, given the analysis we have done.

Finally, to my friend the member for Carleton-Grenville (Mr. Sterling), on the issue of smoking in community colleges, in my view, the greatest smoke problem in Ottawa is not coming from Algonquin College but from the House of Commons. However, that is another issue altogether.

Each college has its own policy with respect to smoking and smoking areas within colleges. As I have gone around from college to college, I have noticed an increasing trend to restrict smoking to only certain areas within colleges, and it is a trend that I, frankly, am very much in favour of and have congratulated the colleges on doing. I do not know the particular situation he refers to in Algonquin, but I will send along his views on it to the administration and to the president.

He suggests to me the fact that colleges are the recipients of a large portion of provincial budgets means I should be able to mandate policies in this, that and the other area. He suggests a uniform policy for restricted smoking in colleges. I will take that into consideration, but I cannot tell him I am prepared to do that based on the simple fact that we provide a lot of public money to institutions.

We have had some eight hours of debates on estimates. My critics have contributed greatly to those, and I thank them for their added comments today.

Resolution concurred in.

1750

CONCURRENCE IN SUPPLY, MINISTRY OF SKILLS DEVELOPMENT

Mr. Jackson: I wish to rise today to respond to what transpired through the estimates of the Ministry of Skills Development and to express some of the outstanding concerns that still exist with the management of this ministry.

Since last summer, there has been growing concern about older worker help centres throughout this province and there has been uncertainty,

with good reason, about the extension of this program. The ministry indicated some four months ago that it was going to undertake a study. It is my understanding that during those four months, the ministry staff spoke to only four directors of older worker centres in Ontario, that no client groups were involved during that examination, that no front-line counsellors were examined and that they just talked to a selected few help centre directors. It is clear that the government was unwilling to get the appropriate information or the feedback. I am at a loss to understand why it took four months to make four or five phone calls.

These older worker centres have been underfunded. This was raised before the minister during estimates and he quite candidly admitted that he had "not heard of any problems at all" from our older worker centres—that is a direct quote from the minister—and yet we have been able to uncover incident after incident of cases where older worker centres have not received expected funding. We even had a case in Lindsay where two employees had been working without pay on the basis of ministerial promises for a period of six months. Now, today, in this Legislature, on the very day this minister seeks concurrence from this House, the minister makes an announcement that he is going to further extend the study and review of the older worker help centres by another six months.

If the minister had been able to attend more sessions of question period, he would have heard of the great numbers of difficult areas in this province where unique problems of unemployment increasingly are facing older workers. It is especially acute in northern Ontario. Yet the minister has been unable to provide a clear policy statement with respect to his ministerial plan for older worker help centres in Ontario.

During estimates, the minister asked for considerable funds to increase an ever-expanding bureaucracy. I believe he holds the record in Ontario for the fastest-growing ministry in the cabinet. The staff at his head office has tripled. The bulk of those individuals were for policy planning and co-ordination, yet he has come back consistently to this House, asking for extension upon extension.

I would like to talk as well about the concerns being expressed about the minister's seeming unwillingness to consult openly when groups in this province have made it abundantly clear to him that his programs may have an adverse effect, most notably his Futures program. As the minister knows, it was brought to his attention

that Arnold Krever, the president of the Ontario Association of Education Administrative Officials, asked him in a letter 13 months ago if he would sit down and consult with the teachers' federation and the education officials in Ontario, because they had serious reservations about the impact of his Futures program on the enrolment status of senior secondary schools in Ontario.

The fact is that a year later a new president has come to that association, and they are writing him again. He still has not consented to a meeting with them to discuss their very real concerns. These concerns were born out of his own ministry's review of youth employment centres across this province, where it was identified that there was a need for stronger linkages with the secondary schools because there were potential problems with erosion of enrolment. So the minister now has his critics in this House telling him this, he has the media warning him, he has the people affected warning him and still he does not pay any heed, nor will he meet with these groups.

There are other problems that, unfortunately, the clock prevents me from advising the House of during this period of concurrence for the minister's estimates. I would close by saying only that because of a reasonably good economy, his ministry should not take it as a signal that it can abandon in any way the kinds of sensitive and responsible long-term programs and solutions required by unemployed young and particularly older workers in Ontario. I would ask the minister to focus on that, dwell upon it and use it during his coming year.

Hon. Mr. Sorbara: In view of the time, let me make a very quick response.

My friend suggests a review of unemployed help centres was conducted by way of a few telephone calls from my ministry staff. If what he said in the rest of his rather tiring speech is as inaccurate as that, my friend has a problem. The fact is that the review of the help centres was conducted by an independent group, which consulted with all the help centres, did a very careful analysis and helped us to put into place a new program for unemployed help centres that will be a dramatic improvement over the program the previous government put into place some two years ago.

Resolution concurred in.

CONCURRENCE IN SUPPLY, MINISTRY OF TRANSPORTATION AND COMMUNICATIONS

Mr. Gregory: In view of the lateness of the hour, and since I do have a couple of things I

wanted to say—I notice the minister is not absent—I assume we are not going past six o'clock; so may I move the adjournment of the debate?

Hon. Mr. Nixon: Just before the honourable member moves that, we are quite prepared to entertain the motion, but I think there is an agreement that we would use tomorrow for the more formal windup of the expenditure discussions; that if we could possibly approve these, representatives of the three parties might participate in a windup debate tomorrow. It would only be done, of course, with the consent of the House.

Resolution concurred in.

CONCURRENCE IN SUPPLY

Resolutions for supply for the following ministries were concurred in by the House:

Ministry of Agriculture and Food;

Ministry of Agriculture and Food, supplementary;

Ministry of Education;

Ministry of Education, supplementary;

Ministry of Consumer and Commercial Relations;

Ministry of Consumer and Commercial Relations, supplementary;

Ministry of Natural Resources;

Ministry of Natural Resources, supplementary;

Ministry of Health.

Hon. Mr. Nixon: We stood down order 64. Our parliamentary assistant is available. Otherwise, we might reach concurrence in that one as well.

Resolution for supply for the following ministry was concurred in by the House:

Ministry of the Environment.

Hon. Mr. Nixon: I may be pressing my luck a little, but I would like to get unanimous consent to revert to reports by committees.

Mr. Speaker: Unanimous consent has not been given.

Interjections.

Mr. Speaker: Order. Is there further business or not?

Hon. Mr. Nixon: I must ask the table to check to see if all concurrences have been entered into. Can we have concurrence on the two that came in today?

Resolutions for supply for the following ministries were concurred in by the House:

Ministry of the Attorney General;
Ministry of the Attorney General, supplementary;
Ministry of Labour;

Ministry of Labour, supplementary.
The House adjourned at 6:01 p.m.

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No. 103

Hansard

Official Report of Debates

Legislative Assembly of Ontario

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Thursday, February 12, 1987

Speaker: Honourable H. A. Edighoffer
Clerk of the House: C. L. DesRosiers



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LEGISLATIVE ASSEMBLY OF ONTARIO

Thursday, February 12, 1987

The House met at 10 a.m.

Prayers.

ORDERS OF THE DAY

PRIVATE MEMBERS' PUBLIC BUSINESS

RETAIL BUSINESS HOLIDAYS AMENDMENT ACT

Mr. Ashe moved second reading of Bill 188, An Act to amend the Retail Business Holidays Act.

Mr. Ashe: It is indeed a pleasure to speak briefly this morning. I do not think I will take my total 20 minutes, although I want to reserve approximately five minutes for closing remarks at the appropriate time.

In putting forth Bill 188, I should make it very clear what my own personal philosophy is in regard to shopping hours and days of doing business in Ontario, and indicate to the members in complete honesty that I am one who still does favour the fact that we should have a common day of rest in Ontario. Because there are seven days of shopping in other jurisdictions, particularly to the south, does not mean it is the right thing for Ontario to become a seven-day commercial operation.

The immediate reaction might very well be to ask: "What is the idea behind Bill 188? Is it not further expanding the opportunities for businesses to operate on the seventh day of the week?" The answer to that, of course, is yes.

In any of these issues, to be fair we also have to be honest. We have to recognize the realities of the marketplace. We have to recognize what is happening out there now and the number of businesses that are allowed to operate in a legal fashion because of the nature of the service or goods they provide, the size of the establishment and, in some cases, the numbers of employees they are allowed to use.

There are some things that, quite honestly and fairly, should be available to the consuming public, in a sense, for the public to be entertained. They can now legally be entertained in many fashions by going to various functions such as sporting functions. They can now go to the races and they have been able to go to theatres, etc., for many years.

It seems rather queer that certain people who may find the opportunity on Sunday to go and browse in a bookstore, to choose at leisure their favourite novel, do not have that opportunity, and similarly with art galleries. Bill 188 would allow those whose particular interests lie along those lines the opportunity, which they may not get on any other day of the week, to browse at leisure and entertain themselves, if that is their forte, and to have the opportunity to make a purchase, if they are so inclined.

Early last year, through our leader, my party set up a task force on extended shopping hours. It toured the province and had public hearings, and there was considerable input on this issue. As a matter of fact, something in the order of 30 representations were made by interested groups that participated in the hearings throughout the province.

There is no doubt that out of that came the conclusion that the general principle of a common pause day should be maintained. There was also a general consensus on other areas. One of those had to do with the possibility of extending some Sunday shopping opportunities prior to Christmas by the opening of retail businesses—in this case, it reads "for books and records." The task force went into some areas such as Boxing Day and so on which are not overly relevant to the discussion today.

The committee and I were very well pleased with the kind of representations that were made. Regardless of what side of the issue people were on, they made reasoned representations, which were fair and put forth in an honest manner. I would like to read and put on the record, for the benefit of the members, one brief that is very relevant to the bookstore situation.

In a brief presented by Edward Borins of Edwards Books and Art, he points out the confusing and chaotic situation with respect to the right of bookstores to operate on Sundays. I am going to quote from that brief because it states the main points I am trying to make today much better than I could in any other words. He says:

"What we now have is a situation where bookstores are exempted from Sunday closing in certain parts of Toronto designated as tourist-attraction areas; bookstores affiliated with

government-funded institutions such as the Art Gallery of Ontario and the Royal Ontario Museum; bookstores which sell a certain percentage of magazines and newspapers; bookstores located in certain specific tourist areas, such as the CN Tower or hotels or quasi-bookstores which sell books and magazines bordering on pornography." These are presently exempted and they are classified as places of amusement.

"All of these operations are legally open on Sundays and holidays. However, a bookstore such as our newest Edwards Books and Art, located at the corner of Yonge and Eglinton in Canada Square, which sells art books and quality literature written by a variety of international and national authors, such as Robertson Davies and Margaret Atwood, is apparently breaking the law by being open Sundays and holidays and selling these materials. In other words, a person may buy Penthouse or Playboy on Sunday, but he can't buy a copy of the Bible unless he shops at specifically designated bookstores....

"Certain nonessential retail operations are allowed to remain open on Sundays because they would encourage people to engage in certain leisure activities. This is the rationale that exempts antique stores, fruit markets during the summer months, smoke shops selling tobacco, newspapers or magazines. But why not bookstores? Can the government in its wisdom impose a value structure on our society that suggests that people are spending their leisure time more appropriately by buying and smoking cigarettes or by purchasing a newspaper or magazine to read rather than a book?"

1010

That sums it up just as well as anything. There are people whose form of leisure or form of pleasure is to be able to browse in a bookstore. In my view, those same words could apply to art galleries and art stores, to browse and yet to have the opportunity still to make a purchase.

I think that is the reason Bill 188 is appropriate at this time. I know part of the response may very well be, "The government has now, through the co-operation of the three parties, set up a new task force"—a new select committee in this case; our party's was a task force—"which is going to begin deliberations in the near future."

I suspect their conclusions will probably not differ greatly from those of our task force of a year ago, but why wait? Now is the time to clarify these two areas so that people can go, look for and buy good literature and/or good art on Sunday in the same way they can go to the corner

store in the context of a different kind of outlet to buy other types of magazines and periodicals.

I hope that in the spirit of what the people and the citizens of Ontario are quite agreeable to, regardless of their overall general views on Sunday shopping—and again I emphasize that I am not one who subscribes to the view that we should open up to seven days of commercial enterprise—we should realize and recognize the realities during the time they are there and take this opportunity of making it legal for businesses that are in the business of selling books, newspapers or periodicals, and art galleries, to be able to carry on, if they choose.

Again, I think this is important. We are not forcing them to open. Those who do not feel they wish to for their own reasons, those who do not feel they are in the correct geographical area, will not be obliged to open, but they will have the opportunity to open to serve their clientele legally. I ask for the support of all honourable members.

The Deputy Speaker: Does the member wish to reserve the last 10 minutes and 30 seconds?

Mr. Ashe: I would be quite prepared to hold on to just five minutes if that is appropriate.

Mr. Philip: It may come as a surprise to some members of the House, considering the views I have expressed on Sunday openings, that I will be supporting this amendment. In the past, I have argued that wide-open Sundays, particularly of grocery stores and large retail stores such as Eaton's and Simpsons, would be expensive to the consumer, would be harmful to families, would be coercive to employees and would be disastrous to some small businessmen who depend on a certain amount of large volume on Sunday when the large grocery stores are not open.

I do not believe this amendment in any way contradicts our strongly held views that Sunday is a day of rest when a majority of stores should be closed. What it does, as the member who has moved it has pointed out, is correct an inconsistency in the present legislation. As Robins, Appleby, Kotler, Banks and Taub, the barristers who have sent us some information on the proposed amendment, have suggested, the Supreme Court decision left bookstores, and in particular Edwards Books and Art, disheartened.

The fight of their committee that is lobbying for this particular bill—and they assure us that they have the support of their union and of their employees—is not for a wide-open Sunday, but rather it is to allow for a common quality pause day in the retail sector.

If we look at the Retail Business Holidays Act, we see under section 3 an exemption clause. We see that the exemption is for "newspapers or periodicals, or tobacco or articles required for the use of tobacco." It seems to me blatantly absurd that I can buy a book in one store but not go into a bookstore to buy it. It seems to me blatantly unfair that a bookstore whose main product—and in most cases only product, with the exception of perhaps a few calendars and stationery—is books can have added competition it cannot meet. As someone who considers browsing in a bookstore to be my form of relaxation, my recreation, I can go to a baseball game or rent a videotape on Sunday but I cannot go buy a book or browse in a bookstore on Sunday.

I am looking forward to the hearings of the select committee on retail store hours, on which I will be representing our party. One of the first documents I looked at in preparation for these hearings was the Conservative task force report, dated April 18, 1986. I talked to some of the members of that task force. I congratulate them on preparing what I think is in many ways a balanced, nonpartisan document. Indeed, I think they did learn from the hearings they undertook. I was so bold as to suggest that instead of our spending four weeks going around duplicating the Conservative Party task force, we should simply grill the Conservative members of that committee for four days and write our report. I gather that suggestion was unacceptable to the Liberals on the committee.

If we look at the Conservative Party task force report dealing with this specific issue, I think it comes to grips with it and makes some pertinent points. It says:

"The representations received, for the most part, argued one or the other side of the general principle of the maintenance of a common pause day. Very few attempted to make a case for further specific exemption, as one might have expected, from interest groups or particular sectors of the economy. However, a notably convincing presentation was received in Toronto from a group of new- and secondhand-book sellers. These included..." and it lists the various sellers.

Then it goes on to say that Mr. Edward Borins of Edwards Books and Art pointed out: "What we now have is a situation where bookstores are exempted from Sunday closing in certain parts of Toronto designated as tourist-attraction areas; bookstores affiliated with government-funded institutions such as the Art Gallery of Ontario and the Royal Ontario Museum; bookstores which

sell a certain percentage of magazines and newspapers; bookstores located in specific tourist areas such as the CN Tower or hotels or quasi-bookstores which sell books and magazines bordering on pornography, and classified as a 'place of amusement.'

"All of these operations are legally open on Sundays and holidays. However, a bookstore such as our newest Edwards Books and Art, located at the corner of Yonge and Eglinton in Canada Square, which sells art books and quality literature, written by a variety of international and national authors, such as Robinson Davies and Margaret Atwood, is apparently breaking the law by being open Sundays and holidays and selling these materials."

In other words, a person in this city may buy Penthouse on Sunday, but he cannot buy Margaret Atwood's books. That seems to be blatantly absurd and unfair.

I note with interest an article in the February 1984 issue of the trade newspaper Quill and Quire, in which the Attorney General (Mr. Scott), in his previous incarnation, argued in favour of opening bookstores on Sunday.

1020

Basically, what this bill does is it logically slightly expands the exemptions under section 3. In many ways, one can take this amendment as being analogous to exemptions under the Planning Act. Under the Planning Act, we have a certain set of guidelines or rules, but at the same time, there can be exemptions that simply make common sense. I suggest this is the same kind of commonsense amendment, an amendment which removes some of the inconsistencies in the present act and in no way interferes with the basic principle that Sunday is a day of rest and a day on which a majority of people and a majority of families should be able to get together.

As I mentioned, Bill 188 conforms with the findings of the Conservative Party task force on extended shopping hours. These people went around the province, and I think they heard a fairly wide variety of delegations and people. That task force did not come out in favour of a wide-open Sunday, but it did note that there was a problem in this one area. I think that was a reasonable request.

On this matter, one must look at basic principles, one must look at family life and one must look at society, but at the same time one cannot be dogmatic and prissy about the whole thing. I think this amendment is in keeping with the present act and with the present values of our society as they exist in Ontario. I hope other

members will support the amendment and that we will pass it today.

Mr. D. W. Smith: I too am happy to rise in my place today and make a few comments on the private member's bill provided for us today by the member for Durham West (Mr. Ashe). It has been suggested that the Retail Business Holidays Act involves and evokes questions of social and economic issues which affect people throughout the entire province. I think this specific act demands our attention as conscientious legislators within Ontario.

I completely support the initiative of this bill, as I believe does each member of this House. I would like to take some time to discuss briefly the situation surrounding the Retail Business Holidays Act and how we as elected officials can best deal with its implications.

A year ago, in January 1986, the Solicitor General (Mr. Keyes) advised this House that after the decision of the Supreme Court of Canada had been passed down, the entire issue of holiday closing would be sent to a committee of the Legislative Assembly for review, "providing the opportunity for full, public discussion and the expression of the entire range of public concern to be presented directly to the members of this assembly."

This first step has now occurred. The retail store hours committee is presently preparing to travel across the province to listen to the presentations of concern and/or support from the people of the province. The second step is for this committee, on which I am pleased to have the opportunity to sit, to examine in detail proposals such as the one the member for Durham West has brought forth today in Bill 188.

I think I can safely surmise that, in principle, we have an all-party agreement supporting this morning's proposals. Without doubt the anomalies in this act must be rectified. A few weeks ago, during the estimates prepared for the standing committee on administration of justice, under the Ministry of the Solicitor General, the member for Beaches-Woodbine (Ms. Bryden) questioned the minister on this very same matter and used the words "the plight of the bookstores."

The suggestions discussed by the member included one which encouraged the minister to fine-tune the retail bookstores thing. To do so effectively demands that all views be heard through our democratic process. It is necessary that this should occur as laws are considered for both modification and/or amendment.

There are numerous issues to be discussed on this matter. We must discover who should open, exactly what a so-called tourist area is and who should be eligible to qualify for this exemption. To do this and to discover these answers, we need what our Premier (Mr. Peterson) has appropriately called a social consensus. Since the end of 1985, our government has verbally supported a major review of the Retail Business Holidays Act and hopes to achieve this much-desired social consensus, regardless of the Supreme Court decision brought down on December 18, 1986.

I am sure we are all aware that within Ontario today there exist numerous and varying opinions regarding the propriety of the current act. To be responsible legislators, we must allow for all segments of Ontario's population to have the opportunity to voice their grievances or their support for this act. With regard to the proposals before us today, we must hear how Ontario feels about this specific amendment.

During his opening remarks prior to the presentation of his task force report on this act, my colleague the member for Oakville (Mr. O'Connor) admitted the task force did not hear from all segments within Ontario's population. My hope is that during the next month, as we travel across Ontario, we can hear from all possible segments of Ontario's population. I trust an all-party legislative committee will encourage representatives from all parts of Ontario life to come forward and discuss this issue from their own perspectives.

Today our immediate perspective focuses on the amendment before us, which would allow all retail establishments that sell only books, newspapers or periodicals, and all art galleries, to be open on Sundays and other public holidays. In theory, as I have already mentioned, we cannot help but agree with this proposal. However, the Solicitor General suggested to the member for Beaches-Woodbine, once again during the estimates in the standing committee on administration of justice, we must be cautious with such an amendment.

Initiating a change of this nature could invite several repercussions, such as other retail businesses that share similar attractions to those provided by a bookstore or an art gallery—such as browsing, for instance—demanding that they too receive exemption from the act. The minister cited the example of a pet store. I can think of others, but the point is it could begin a chain reaction if initiated at this stage. To prevent this possible chain reaction from taking place, we

have the committee process where we hope these possible repercussions can be eliminated.

It might be worth while to mention it is not the arguments presented in support of today's bill that I am discounting. For the most part, I believe all the points presented by our bookstore lobbyists are extremely valid. Not only are these issues valid concerns, but stores in designated tourist areas are allowed to open on holidays and Sundays whereas the exact same store in a nondesignated area is prohibited from doing the same; and there is the availability of videos and magazines versus the nonavailability of other types of good literature.

More important, the validity of these concerns serves another purpose at this stage of the legislative process. I am sure there are many stores in my own riding where videos are available on Sundays and other holidays. I guess this is something we want to address as we go about the province listening to the different presentations that may be made before this committee. They illustrate the difficulties and the confusions inherent within the act itself. They demand and reinforce the necessity for its review.

As a member of the committee who will be reviewing this very important issue, I am looking forward to the next few weeks of discussion. I would like to thank and congratulate the member for Durham West for the instigation of his private member's bill. I support his proposal and we will be pleased to examine it in detail during the committee procedures.

1030

Mr. McLean: I am pleased to rise today in support of Bill 188, An Act to amend the Retail Business Holidays Act presented by my colleague the member for Durham West.

I had the opportunity to be part of the task force that travelled part of the province and to hear what the people of the province felt about the many different aspects of Sunday shopping and retail hours. We are dealing today with this amendment which is part of the report that was prepared. The report has to do with books and records. It has to do with the presentations that were made in the city of Toronto and briefs that were received which indicated there are sections in Toronto that are classified as tourism areas and are classified for Sunday shopping. However, there are sections here that would not allow books to be sold on Sunday.

Really, what the report has said is that it urges the government to give effect to the genuine demand for additional shopping in Ontario. The

amendment put forward by my colleague is just part of this report. I think it is a step in the right direction. My colleague the member for Etobicoke (Mr. Philip) indicated that instead of a new committee travelling the province to look into the aspects of business retail shopping time, we should look at the report that has been done. The last speaker indicated that only part of the survey has been done in this province. I am here to tell members that it does not matter how many different committees there are that want to travel the province, one can always come up with some different ideas.

I do think the report that was done is a very thorough report. It was done right across the province and there was some great input that went into it. The radio stations in my riding and the chambers of commerce all did surveys of the people. The greatest indication was that there were about 70 per cent who always wanted that common pause day.

In some of the conclusions and recommendations, there was overwhelming support in favour of the maintenance of a common pause day, which is based upon the necessity of the preservation of the quality of life and the family unit. This argument stresses the potential effect upon family life.

If Ontario should change its policy with regard to the legislation, maybe 10 years down the road there will have to be another change. The tourist parts of the province can have a designation; they can pass a bylaw that will allow certain stores to stay open if they want to classify them as tourist areas. I went through that many years ago as reeve of a municipality, so I know the requests that come in.

When we look at the overall report, it appears to me that there will be no change in the effect on family life if we maintain the status quo, but then everybody is not in favour of that. There are people who want to have their stores open on Sunday. Some people like to go to ball games on Sunday, some like to go to the movies and some like to go to the theatre.

In Ontario, business people have indicated to me that they did not want to be open seven days a week. They felt that the price of the products they were selling would have to be increased to pay those extra people over that extra day. There is only so much money, whether people spend it in six days or seven. I believe this amendment is a step in the right direction. It is an amendment that is going to set a tone that there is need to change some of our laws in the province with regard to the Retail Business Holidays Act. I hear from the

people who discuss it with me that there are some who really do have a very sincere concern with regard to this.

I am sure the committee that will be travelling the province will come up with a lot of the same recommendations that are already in the report. When I realized there was going to be a committee working for a month, I thought some of the business that has gone through this House and been referred to committees would have been a lot more important for this committee to deal with than some of the referrals that have been made to it.

When we stop and think of the number of people, the increased population and how times have changed, perhaps a little broader extension of the law would be in order, but I believe this report sums it all up. What this amendment is really doing is strengthening that report and trying to change some aspects of the Retail Business Holidays Act.

I support my colleague's resolution, the amendment to the act, and I wish every other person in this Legislature would do so.

Mr. Reville: I am pleased to take part in the debate on Bill 188, brought forward by the member for Durham West. I want to say at the outset that I think the bill is reasonable in itself and is one with which I suspect many people would feel quite comfortable. Of course, the problem is that there is no consensus on the issue of Sunday shopping and, regrettably, I suspect it will be very difficult to achieve consensus on the issue.

As a graduate of Toronto city council, for my sins, I was enveloped in this debate a number of times over the five years I served on that council, and I suspect I have listened to virtually every possible argument on one side of the issue or the other. I will be finding out whether that is correct when I serve on the select committee on retail store hours.

The legislation that currently exists in the province is somewhat bizarre and reflects the difficulty in achieving a consensus about this matter. In fact, I suspect the previous legislation took its shape because of certain trade-offs that were made during the interesting and sometimes invaluable negotiating that goes on in a legislature. Of course, it has created a number of fairly bizarre situations in which stores next to one another and in approximately the same business are treated differently in terms of holidays.

I always find it difficult when dealing with a piece of legislation that is not understandable. In fact, I think one of the prerequisites of a good

piece of legislation is that it make sense to people. There is no question that the Retail Business Holidays Act does not make sense to people.

It certainly does not make sense to those who believe there should be no holiday shopping; it does not make sense to those who believe there should be total, anything-goes Sunday or holiday shopping; and it certainly, and maybe more important, does not make sense to those who live next to retail strips or those who are responsible for the activity of a retail strip.

In my own riding, I get fairly frequent deputations from business people who are in some perplexity about the way the Retail Business Holidays Act works and why it is as it is. Some stores are fined or charged for being open when a very similar kind of store is not, and that, of course, leaves people wondering just what is going on and whether or not legislation is being applied with an even hand.

1040

On some occasions, because of the nature of the shopping district in my riding, some people feel there is a racial connotation to the way the law is applied. The Metro police are responsible for enforcing this legislation. Some of my Chinese business people believe they are singled out for particular abuse, and we have met on some occasions with the business people and the police to try to sort out whether or not that is correct.

The dilemma I have with the bill of the member for Durham West is that, while I do not object to it in a personal sense in any way, I think it is somewhat premature, given that we are about to embark on yet another review of the matter and the committee will be charged with trying to make some sense out of a situation that creates a lot of fairly firm opinion.

I do not know how we could add a particular type of business to the list without creating unhappiness among other businesses that are not added to the list. I think, too, we will discover that we will encounter people with very strong opinions that this should not happen or that this should happen, and we will not, of course, encounter people who have not much opinion at all. A large majority of people are in that last category; they do not really much care one way or the other about this issue, and they would shop on a Sunday if stores were open but it is not going to be the end of the world if they are not.

People who are in business do not have a unanimous opinion either. We will hear representations from businesses that absolutely do not

want to be open on holidays and are very concerned that they will be required to open on holidays if they are in a mall that has a contract that says they will be open when everybody else is open. Interestingly enough, I expect Birks will take that position. That was the position they took recently in one of the interminable debates at Toronto city council on the matter.

In conclusion, I think there is nothing offensive or inappropriate about the member for Durham West's bill, except perhaps the timing.

Mr. G. I. Miller: I, too, am pleased to be able to rise this morning and participate in the debate on Bill 188, An Act to amend the Retail Business Holidays Act. In the beginning, I would like to indicate that I cannot support the bill, for reasons I would like to put forth. I believe we have had to deal only with the store closings. Before Christmas, it came before the court, and the decision was that stores that were open had been open illegally.

I feel strongly that Sunday should be a day set aside for rest, and that has been a tradition in Ontario and in Canada, for that matter. I would like to see that maintained somewhat for our future generations. I realize this bill is specifically dealing with the selling of books and newspapers, and it is a portion of the overall Retail Business Holidays Act, but I think we are reviewing that at present. A committee has been established by the government of the day.

I respect that the official opposition had a task force which went around Ontario looking at options. Certainly, it is going to be useful input into any new legislation brought forward, but under our system any new changes have to be brought in by the government of the day. I do not think we would want to do it in a piecemeal fashion. The bill was reviewed, I believe, 10 years ago, again when we had a minority government, and changes were made at that time to support tourist areas. I believe we do have to listen to the public and provide services at its request, but it cannot be done in a piecemeal fashion.

I believe it should be done in an orderly fashion, and the way the government is approaching it at present is the way it should be dealt with. Therefore, I commend the fact that a committee has been established. The work done by the official opposition will certainly have an influence. Those ideas will be utilized. With all the committees being established, we do not have a lot of time—one month is not adequate to go around the province—so shortcuts will have to be used to come up with a report that will be useful

for the minister or the government of the day to move forward with proper legislation to deal with the overall review of the Retail Business Holidays Act. The last speaker indicated that. The member for Riverdale (Mr. Reville) was saying something similar.

While I respect the member for Durham West, his expertise and his sincerity, I believe the bill has generated debate this morning. It is going to be useful as far as the changes and the overall review of the Retail Business Holidays Act. I commend them for that. I hope it will make for better service to Ontario and the residents therein.

With those comments, I would like to say thanks for the opportunity of participating in the debate this morning.

Ms. Bryden: I rise to speak in favour of Bill 188 and urge all members to support it as an indication of the need to change the exemption relating to retail bookstores. My colleagues have pointed out very clearly that there are a number of anomalies in the act and that this is one of the most serious ones. It puts retail bookstores in the position of being treated unequally with regard to selling books and art materials on Sunday, whereas books can be sold in drug stores, variety stores, tourist areas and even corners of grocery stores that may have a little section on books. Also, other similar material, such as videotapes, can be sold on Sundays as a matter of entertainment.

I want to draw to the attention of the House that there is a subsection in the Retail Business Holidays Act which says premises may be open on Sundays. Subsection 3(6) says closing on Sunday "does not apply in respect of the admission of the public to premises for educational, recreational or amusement purposes or in respect of the sale or offering for sale of goods or services incidental thereto."

1050

In effect, what this bill is doing is simply clarifying that bookstores really offer educational activities and do fall under subsection 3(6). It is not clear in the act. Therefore, they need a separate exemption. I think it would be very useful to pass this bill to indicate our support of it and not to leave it entirely up to the committee that is sitting. This will be a further guide to the committee that a large number of members are in favour of giving this special clarification and exemption to retail bookstores, because certainly they perform a very important educational function and the ability to browse through

bookstores on a Sunday, as well as to purchase books, is part of our cultural development.

I know the group of retail bookstores that has been holding press conferences and urging this activity has had the support of a great many of our writers, artists, journalists and educators. Therefore, this is another very strong reason for supporting this bill as an indication to the select committee of the kind of legislation that is needed in order to remove anomalies and promote our education activities.

Mr. Ashe: First, I want to thank all honourable members who participated in the debate this morning. We did have the opportunity to hear from six other members. Needless to say, I particularly want to thank the member for Etobicoke, the member for Simcoe East (Mr. McLean), the member for Riverdale (Mr. Reville) and the member for Beaches-Woodbine for their indicated support.

One thing that came across loud and clear, in my view, was that even with the two other speakers, the member for Lambton (Mr. D. W. Smith) and the member for Haldimand-Norfolk (Mr. G. I. Miller)—even though they may not be thinking that way right at the moment, if they read over their remarks in Hansard I am sure they will agree—I got the impression that not only are they thanking me for bringing forth the issue but they also subscribe to what this bill is trying to do. However, they have their walking orders that suggest it is premature. It is too bad, because we always have the opportunity to procrastinate in righting a wrong.

There is no doubt in my mind that the majority of the speakers who spoke in support of Bill 188 are not for a wide-open Sunday. Again I emphasize for those members who were not here earlier for my opening remarks, neither am I. I think we do need that common day of rest, but there are anomalies that can be and should be rectified as quickly as possible. Procrastination does nothing to rectify those situations.

To go ahead now and pass Bill 188 will in no way impede the work of the select committee and its hearings. Again I want to emphasize that I am quite sure it is going to end up with a similar report to what our task force did about a year ago, so why wait? If we can clear up some anomalies now to let people have the opportunity to take forth their particular form of entertainment—if you want to put it in that context, to be able to go to the bookstore instead of the theatre, the racetrack, the football or baseball game or whatever—legally, I see nothing wrong with that.

It is the same for those who have attractions, stores, art galleries and so on. Whether in both instances it is just because of the nature of the day that they have more time to enjoy themselves, to browse, and yet to ultimately have the opportunity to make a legal purchase, I think that is important.

We are not trying to open up the seventh day to wide-open situations, but there are absolutely crazy anomalies out there, particularly in these two areas, and we do have the opportunity today to rectify that situation. I hope and feel this resolution will receive majority support of the Legislature on second reading this morning.

I go so far as to call on and challenge the government. Let us not procrastinate. Let us even go for unanimous consent this afternoon to call this bill for third reading and start the opportunity right away, to correct the anomalies and give people the opportunity to be able to buy a book, to be able to buy the Bible instead of Penthouse or Playboy as they now can legally, to be able to go to and browse in the art galleries and make purchases. Let us correct that anomaly today. Why wait until tomorrow?

FIRE PROTECTION EQUIPMENT

Mr. Wildman moved resolution 10:

That in the opinion of this House, recognizing that small municipalities do not have the financial base necessary to purchase modern, effective and reliable fire protection equipment, the government should provide direct financial assistance to small municipalities for the purchase of fire protection equipment.

Mr. Wildman: I am very happy that this resolution, which I introduced in the House in July 1985, has finally come before the House for debate.

I have tremendous respect for the volunteers who give their time and risk their lives to save the lives of the general public and to protect property in very serious emergency situations. These volunteers have to drive great distances, some times at high speeds, and they have to enter burning, smoke-filled structures that are very dangerous. In my view, they require and must have modern, efficient equipment to assist them in their work. The reason I have introduced this resolution today is that I do not believe the unconditional grants now available to the small municipalities across Ontario are sufficient to allow them to purchase this kind of equipment. The unconditional grants are just too low and are not directed to the needs that these small municipalities have.

I realize there are a number of members in the House who have small municipalities and communities with volunteer fire departments. I hope they will pay attention to the debate because I do want their support at the end of the day.

It has been suggested that in the resolution I should have defined the word "small" and limited it to a certain number. I intentionally did not put in a figure. I wanted to leave it to the discretion of the government to determine what figure was more appropriate. Other members may have suggestions in the debate as to a figure of population that would be desirable for a definition in terms of which municipalities would be eligible.

I indicate that 88 municipalities in this province have endorsed this resolution and not all of them were small municipalities that would benefit from my proposal. For example, the city of Timmins passed a resolution endorsing my resolution, indicating it believed that small municipalities need to have adequate fire protection equipment and that it was in support of a move by the government to provide this kind of equipment and assistance to smaller communities.

This matter was brought to a head by the fact that under the leadership of my colleague the member for Kenora (Mr. Bernier), the Ministry of Northern Affairs a number of years ago instituted a program to provide financial assistance and equipment such as rapid attack vehicles, portable pumps and turnout gear, etc., to unorganized communities in the north. This has been a very important and useful program for the small unorganized communities across northern Ontario.

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We used to joke sometimes in the House about the member for Kenora arriving in the fire truck with the light going and siren blaring, to the celebration of everyone in the community. The reason everyone celebrated as they did was that all the people in those small communities recognize how important it is to have this kind of equipment so they will not be vulnerable to losing everything, perhaps even their lives, if there is a fire. It is a very important and useful program.

We have to recognize that small organized communities, that is ones with a municipal organization, in some cases have smaller populations than some of the unorganized communities. Small municipalities, particularly in rural areas, have too small a local tax base, even when combined with the unconditional grants from the

provincial government, to be able to purchase the equipment that their volunteer fire brigades need.

Often they are dependent on old—secondhand and even thirdhand—obsolete equipment for which there are no longer parts available. This equipment may fail just at the time it is needed, putting the lives of the volunteer firemen at risk and, at the same time, putting the lives of the people they are attempting to save at even greater risk.

I have a number of examples I would like to read into the record of the reason that it is so important that the House pass this resolution today. The first one I want to refer to is from the township of Barclay at Dryden. This is a letter from the clerk-treasurer. It says:

"We in Barclay feel that we are being penalized for being incorporated. There is very little physical difference between our township and the surrounding unorganized rural areas. However, since the residents of Barclay chose to become organized in order to exert some control over development of the community and to support provincial policies, we are ineligible for Northern Affairs grants for firehalls and to receive a fire truck.

"Needless to say, our residents look askance at our neighbours across the highway who live, work and play in the same way as we do and simply because they choose to remain unorganized are entitled to a bigger slice of the provincial pie." In this case, they are referring to the program of assistance for unorganized communities under the Ministry of Northern Development and Mines.

I have another one here from the township of St. Joseph at Richards Landing on St. Joseph Island. It says:

"The township of St. Joseph presently has a pumper truck, being the municipality's main fire truck, which is 25 years old. Following a recent inspection of this truck by a certified mechanic, we were advised that major repairs were required and that this vehicle was not safe to be on the road in its present condition.

"Upon investigation, we learned that the parts necessary to repair this vehicle were no longer available because of the age of the vehicle. This vehicle was consequently removed from service, which thus greatly reduced the municipality's firefighting capabilities.

"This vehicle is now back in service, however. The fact that the replacement parts are not available for this vehicle serves to reinforce the municipality's belief that this vehicle must be replaced in the very near future. It appears that

some form of financial assistance from the provincial government will be required in order for this municipality to provide adequate fire protection for its inhabitants."

Here is another letter, in this case from the secretary of the volunteer fire department in the township of Blake near Thunder Bay. It says:

"The Blake volunteer fire department has become a reality only through the hard work and determination of the people in Blake. We have held dances, raffles, teas, bake sales, stags and any other activity that would bring in some funds. Since the group got organized in November 1982, we have managed to purchase a 1943 Ford pumper, a 1950 GMC pumper and a 1965 Mercury tanker. In this time too, we have built a main firehall and this summer a satellite station.

"Most of the fire equipment has been hand-me-downs from other departments because we could not afford to purchase it at all. There is still a lot of equipment needed, a numbering system set up, and also we will one day have to update our trucks. As you can see by the years, they are quite old. Where will all the necessary funds come from? Our township does not have the tax base to build and support a fire department completely.

"As you can see, we have not sat back and waited for grants. The association members have gone out and worked hard to raise funds, and I think we have done well. It does not seem fair that our department should be denied funds just because we are in an organized municipality. I think we have proved we are willing to work. All we ask is a little help now, and we are having trouble raising more money."

From the town of Charlton at Englehart: "Presently, the town of Charlton is being asked to share in the purchase of a new fire truck for Englehart area fire department. The price is around \$85,000, our share being 4.67 per cent. This amounts to a tax levy on our ratepayers of about 10 mills in one year. This is indeed a heavy burden for our small municipality with its present population of 222 and such a low tax base."

I have one from the administrator of the township of Fauquier: "We have put the onus on the volunteer firefighters to raise 20 per cent of the required dollars for the purchase of equipment. The municipality will raise the remaining 30 per cent, with 50 per cent coming from JEPP. I do not think it is right to ask volunteers, over and above their duty of firefighting, to raise funds, but under the circumstances, we had no choice."

In this case, we can see that volunteers are not only being asked to train, become conversant with the ways to fight fires and go out to risk their lives, but they are also expected to go out and spend a lot of time raising funds for the equipment that is needed to protect the community. In my view, it is just not fair.

I have a letter from the fire chief of the town of Rayside-Balfour as well: "It must be considered that the fire protection in a community, large or small, is very important to resident safety. When fire occurs in a community, jobs may be lost, depending on the location of the emergency. More dangerous goods are being transported by rail, road or air. All types of commodities are being transported. Increasingly, hazardous material spills will have to be controlled by the local fire departments.

"In many cases, this emergency service is deprived of necessary equipment because of the inability of the local municipality to pay, because there are no grants available for this emergency service. The community will sometimes have to face disaster because of the lack of emergency equipment that will be supplied by a fire service."

These are just a few examples of the large number of letters I have received from fire departments and small municipalities across the province. I also have a letter from the secretary of the Ontario Association of Fire Chiefs in which he endorses this proposal. When I finish up, I will refer to this.

What has been the response of government so far, both the previous and present governments? In most cases, the Solicitors General have been very sympathetic, as have the Ministers of Municipal Affairs; but sympathy does not pay for fire trucks. We still do not have any commitment from the government. I believe the passage of this resolution would be a step towards the assembly persuading the government to respond.

The latest letter I have is from the Solicitor General (Mr. Keyes) to the town of Latchford, dated January 28, 1987. In that letter, the Solicitor General concludes, "I am not optimistic that additional resources will be available from the province to assist municipalities in dealing with their firefighting responsibilities, at least in the immediate future."

I believe it is time for this House to speak out on behalf of the volunteer firemen who are risking their lives across Ontario to ensure they get the kind of equipment they need. I believe it is time for this House to speak out on behalf of the small municipalities that have too low a tax base

and do not have sufficient funds or ways to raise those funds to provide the equipment their fire departments need.

1110

It is time we spoke as a group to persuade the government to move in this area. It is of the utmost importance. I urge my colleagues in the House to support my resolution today as a first step towards persuading the government to provide the grants that are necessary for small municipalities, in the same way it is providing them to the unorganized communities in the north.

Mr. Speaker, with your permission, I would like to reserve the rest of my time for the end of the debate.

The Deputy Speaker: Six minutes even.

Mr. McKessock: I rise to speak on this resolution provided by the member for Algoma (Mr. Wildman). I congratulate him for bringing this resolution forward.

It has been an area of concern to a lot of small municipalities throughout Ontario, and I have received many letters from municipalities in my riding. There is no doubt that smaller municipalities, particularly, could use help with capital for fire equipment expenditures. There is little in the way of direct funding or shared-cost arrangements with such small municipalities. To qualify as a small municipality, a population level of 15,000 could be an appropriate demarcation point. There are approximately 725 firefighting facilities in Ontario communities of fewer than 15,000 people.

Historically, it was felt the grant system would be limited to incorporated municipalities and would not be applied to unorganized communities, because they had available to them the financial resources of the Ministry of Northern Development and Mines to help them build and equip fire facilities through the unorganized communities assistance program.

In the past, the government chose to place emphasis on the need to provide capital assistance to upgrade fire and police facilities, as opposed to the firefighting equipment; although it is acknowledged that there is an additional need to upgrade equipment, it has been felt other grant structures were in place that could deal with these problems, such as the unorganized community assistance program and the extrication equipment program.

The needs for both new firefighting facilities and new equipment go hand in hand. The unorganized community assistance program is exclusively for the unorganized communities and

provides no benefits to small municipalities. This has resulted in anomalies being created wherein unorganized communities find themselves in a more preferred position with respect to firefighting equipment than their neighbouring municipalities. The extrication equipment program provides nominal assistance to municipalities to buy extrication equipment and does not provide them with any financial assistance to acquire expensive firefighting equipment.

Should direct funding be extended, one hopes municipalities will share in the cost and commitment. It would be preferable to have matched grants, as opposed to outright grants, thereby encouraging municipalities to improve their own facilities to a desired level.

In Ontario, there are in excess of 650 fire departments. There are 33 full-time departments, 122 composite fire departments and 519 part-time fire departments. It is important to appreciate that the provision of fire protection services has placed severe financial burdens upon small municipalities. Fire protection is very expensive. Recent surveys conducted by the office of the fire marshal have demonstrated that 95 per cent of those municipalities surveyed required new or upgraded facilities and new or refurbished firefighting apparatus. A new fire truck costs approximately \$100,000, and it costs approximately \$25,000 to refurbish an old one. A new water tanker costs approximately \$50,000.

Unlike police protection, fire protection is not mandatory at this time. There is no doubt the provision of mandatory fire protection service is desirable; however, it may not seem appropriate to obligate all municipalities to provide fire protection services without a corresponding grant structure which would assist such municipalities in financially supporting such a service.

The Ministry of the Solicitor General, up to this point, has been supporting the municipal fire departments by providing training for the volunteer firefighters at the fire college. The provision of grants to municipalities to provide fire protection services has never been undertaken. It would be expensive, and one would anticipate that at some stage municipalities with more than 15,000 residents would expect comparable grants to assist them in providing this expensive, but truly needed service.

The provision of fire protection has been a municipal responsibility. The unconditional grants program of the Ministry of Municipal Affairs currently provides extensive financial support to small municipalities referred to in the resolution. The extent of this financial support is

substantial. Through the unconditional grants program, a small municipality in northern Ontario recovers as much as 50 per cent of any expenditure it incurs to provide municipal services, including the purchase of fire protection equipment.

I have a table here, which shows that 50 per cent of fire protection costs in the north have been covered by unconditional grants. The table also bears out that 32 per cent of the other municipalities of Ontario have been covered by an unconditional grant.

In 1987, nearly \$160 million will be paid to northern municipalities under the program. An often neglected fact about these funds is that they carry no condition as to the way they are spent. This allows municipal councils to establish their own spending priorities, which may include, in addition to fire equipment, all other services provided to local ratepayers.

Other initiatives that municipalities can take include an exchange-of-service agreement to provide an enhanced level of fire protection services in a cost-effective way. I think this is being carried out more and more each year, as fire protection departments work together.

It is clear that any extension of a direct grant program for fire protection equipment must be undertaken with caution and a commitment to fiscal responsibility, while at the same time recognizing the needs of these small communities.

It concerns me a little bit that many have just built new facilities, but the equipment is an ongoing need. A grant program, should it come in, should span a 10-year to 15-year period so that municipalities can take advantage of it as the need arises and not feel obligated to rush out and buy new equipment right off the bat.

I do support the member's resolution. Of course, it is a little bit like motherhood. It is hard not to support a resolution that is going to assist our local municipalities.

Mr. McLean: I am pleased to rise this morning to support the resolution from my colleague the member for Algoma. This private member's resolution states, "That, in the opinion of this House, recognizing that small municipalities do not have the financial base necessary to purchase modern, effective and reliable fire protection equipment," etc. Then he indicates that the government should provide direct financial assistance to small municipalities to purchase this equipment.

In the small municipalities of Ontario, budget matters are in many ways calculated on a

different base to those in the major urban municipalities. On the matter of the provision of fire protection for the citizens of the smaller municipalities, certain factors come into play that have to be addressed, both by that municipality and by the provincial government.

There is little doubt that the smaller municipalities have limited resources to purchase extremely costly equipment and, not only that, for the smaller municipalities it is also necessary to have this equipment and the protection. They have a tax base that, generally speaking, is based on residential and farming rather than on industrial revenues. Much smaller per capita revenues are generated for these municipalities, thus presenting the difficulties. I am referring specifically to proper firefighting equipment and related resources.

1120

With equipment costs escalating yearly, the financing problems faced by the rural municipalities in relation to firefighting equipment increase proportionately. A fireman's regular clothing now costs in the area of \$1,000 per man, and his helmet could cost another \$100. A basic, fully equipped fire engine costs about \$125,000; and a more elaborate, fully equipped vehicle would run in the range of \$300,000. I am sure the honourable members can easily understand that these costs are far beyond the capabilities of the majority of small municipalities and communities in Ontario.

The problems of limited funding are further demonstrated by the several unique problems facing the small northern communities of the province. They generally have a more limited firefighting staff and are dependent on volunteers only. The often severe climatic conditions add to the difficulties and to the costs necessary to freezeproof equipment. Many of the roads also are unpaved, and fire equipment has to travel a much longer distance to reach its destination there than it does in the city.

In the cities there are hydrants, of course, and a system that provides for rapid fire containment. Not so in rural communities. Water is available from static sources such as ponds, rivers and storage tanks. It is apparent that more modern fire equipment would help offset this disadvantage. But more modern fire equipment is extremely costly, and the taxpayers of the province are not easily convinced that the large portion of their dollars should be spent on fire protection. It is much easier to bury a \$250,000 fire truck cost in a \$500-million budget than in a \$5-million budget, or even a \$1-million budget.

Provincial support has traditionally been given to what are called unorganized communities, or those centres with established populations that are not legal entities like towns or cities. Just short of 50 of these communities have received equipment and training support from the provincial government, and this was the policy of the former government of the province. It is hoped that this, at least, will continue to be the policy of this government.

My concerns, however, are that there will be cutbacks in the provision of funding for this type of very necessary service, such as the weekend training of volunteers, as was brought before this House by me last week. The former government always had the policy of supplying small municipalities and unorganized communities with portable pump packages, which cost in the area of \$15,000 to \$25,000, and they paid the workers' compensation costs of the local firefighters in certain areas.

These actions are no longer enough, and with our growing population, much more will have to be done. The present system of providing unconditional grants to municipalities to be used as they see fit was a valid method until recently. A municipality could assign the grant money to whatever it felt was necessary. This inevitably led to a great deal of debate on priorities, and often the moneys would be diluted down to where, in the case of fire equipment needs, there was insufficient money available.

The problem that I and my colleague the member for Sarnia (Mr. Brandt) brought up in the House last week regarding the ending of the weekend fire training courses at the Ontario Fire College is another example of the effect that rising costs are having on the safety of our smaller communities. In 1986, 10 courses were run for the weekend volunteers by the Ontario Fire College, and this year, with 300 applicants already awaiting training, budgetary restraints have held up the decision to continue with these courses in 1987. These volunteer firemen are willing to give up their weekends to take the necessary courses, but so far there appears to be no money in the budget to allow them to do so.

I am disappointed that the Solicitor General is not in the House this morning to listen to this debate, because I think it is very, very important. Members can see that the province is faced with a very real dilemma. The rural municipalities, towns, villages and unincorporated communities have similar needs when it comes to fire protection, as do the large urban centres, but they do not have the funds to pay for it.

It is this situation in the province that we are facing today. Where are we going to obtain the necessary funds to maintain and update the firefighting equipment and the training of the volunteers who man this equipment? Ontario already supplements the northern communities' unconditional grants by an additional 17.5 per cent, but this is still far below what is required in relation to fire equipment needs. Small villages and unincorporated communities may have equipment on loan, but this must be considered a stopgap measure only.

Similarly, the present three training sessions per year allotted to firemen in northern communities are hardly sufficient, especially as these firemen are then expected to return to their own units and pass on their training to their fellow firemen: more stopgap measures.

Action has to be taken to address these problems. They are very real and they are life-threatening problems. Money is hard to come by everywhere and all members of this House are aware of that fact, but we cannot allow people to die because we spent the taxpayers' money on a computer museum or on flying around the country instead of on the somewhat less glorious item of firefighting equipment.

There is a well-known story in firefighters' circles that tells of the fire on a New Year's Eve a few years ago near New Liskeard. The house was located in an area where the two closest fire departments did not have an agreement to go into the area where the house was burning. Neither fire department would respond to the call, and the house burned down. Fortunately, no lives were lost.

The township where the fire took place had asked for a fire department to be set up to protect its residents, but even after possible subsidies that might be available from the federal and provincial governments the balance would be extremely high. As a result of cases such as this in Ontario, many areas do not have reasonable fire protection available to them, and something must be done about this.

In conclusion, I would urge that this government immediately institute some action whereby the small municipalities and the unincorporated communities of Ontario may be provided with proper firefighting equipment and training for the volunteers who will operate it. The Solicitor General should take action. The Treasurer (Mr. Nixon) should take action. People's lives are at stake. I am sorry if any honourable member feels that I am being melodramatic about this, but action must be taken, and it must be taken now.

I want to indicate to members some of the incidents close to me in my riding. I can mention the municipality of the township of Rama, which does not have its own firefighting equipment; it has a contract with the township of Tay and a contract with the township of Mara in order to provide services for that municipality. It is a small municipality with a small tax base.

The township of Matchedash is another area where volunteers went out and raised money. They have had raffles; they have done all kinds of things in order to establish a firehall in that community. It took them years to do it, but they had the volunteers and the Women's Institute. They all donated and they built this firehall for the people's protection.

Why does the province not help more dramatically these very small communities? As I said before, there are lives at stake. It is so important for these communities that help be provided because of their small capital base.

1130

Mr. Hayes: I certainly want to congratulate and compliment the member for Simcoe East (Mr. McLean) for really knowing the subject and putting it forward in a very eloquent manner.

It is indeed a pleasure for me today to stand in this Legislature in support of the motion made by my colleague the member for Algoma (Mr. Wildman), which says that the government should provide direct financial assistance to small municipalities for the purchase of fire equipment.

I live in a municipality that to some might be considered one of the larger rural municipalities, with a population of nearly 10,000 people; that is the township of Maidstone. I sat on the township council as councillor, as deputy reeve and as reeve, and I can tell members that even though Maidstone may be considered as one of the larger municipalities, when it comes time to purchase fire protection equipment it is a real financial burden. I can certainly understand why the member for Algoma has introduced this motion. I know it is a very high financial burden for the municipality I come from.

The member is introducing this motion because the population up in those areas is considerably smaller. Instead of talking about thousands, we are talking about a couple of hundred people, and it is very unfortunate that a handful of people have to try to carry such a high financial burden to protect lives in those communities.

In 1980, when I was reeve of Maidstone township, we were in the market for a new fire

truck. At that time, we took advantage of the timing of there being a firefighters' conference in Hamilton. I and one of the other councillors went to that convention and took a room. We informed the three fire equipment dealers there that we were going to purchase a fire truck before we left the conference and that the company that came up with the best deal would get the sale.

At the same time, we did not go through the tendering process, which does give companies the chance to put a higher price on their product. When it is tendered, they just put a fixed price, which can create another financial burden for municipalities. What we did saved the municipality a considerable amount of money, but I can just see some of the other municipalities not being able to do the same thing. I do not think the small municipalities can even afford to send people to these conferences. They cannot afford to drive or fly all around this province or the country to try to get the best deal for their municipality. That is another burden.

I really wonder what many or all of our municipalities that have volunteer firefighters would do if they no longer had these volunteers. Volunteer firefighters are very proud and very dedicated people. They are always ready to leave and they are always available when a fire call comes in; whether it be in the middle of the night or during the day, it does not matter.

I know in my municipality we have people who work in the automobile industry, for example. When there is a fire call, these people get up and leave and actually lose money out of their own pockets by doing so. That does not bother them because they are very dedicated people and their concern is to save property, jobs and lives.

I also know in my municipality, and I am sure in many of the other municipalities, the volunteers spend long hours and many weekends trying to maintain the equipment they have. They do this on their own time and without any remuneration. The reason they do it is that they know many of the municipalities could not afford to send all their work out to keep their equipment up to date. That is just one more area.

Firefighters are very dedicated. They are concerned and they are proud. If the funds are not available for these small municipalities the member for Algoma is speaking about to purchase modern, effective and reliable fire equipment, these municipalities stand to lose some of these dedicated firefighters, these dedicated volunteers.

When a fire department does not have reliable firefighting or fire protection equipment, morale can become very low. The firefighters can get very frustrated and depressed when they do not have dependable fire protection equipment. They can get very frustrated and depressed when property, jobs and lives are lost because their equipment was outdated or broke down on the way to the fire. That is a very serious concern.

Let us put ourselves in that same position. If we are supposed to be the people who are protecting these properties and lives, and if we do not have the tools to do the job, I do not know of many people today who would stay on a job if they did not have the proper tools to do the job that had to be done. It can be very frustrating, and my heart goes out to all these volunteer firefighters who are out there on their own time when there are many other places they would like to be.

The least this government can do is to make the funding available so these volunteer fire departments, especially in small areas, can do the job they want to do, which is to protect lives. That is about the least this government can do. Just to reiterate, I very strongly support the motion of the member for Algoma and urge the rest of the members in this Legislature to do the same. It was a pleasure speaking in support of this resolution.

Mr. Haggerty: I want to speak on ballot item 46 and support the resolution of the member for Algoma. It is a timely debate this morning, looking at the comments of previous speakers. In particular, the member for Grey (Mr. McKessock)—and it has been touched on by other members who remarked about the unconditional grants now provided to municipalities—talked about the grants of 50 per cent going to municipalities in northern Ontario and I think it is about 33 per cent to municipalities in southern Ontario.

Perhaps one of the problems is that they are not earmarked for fire protection. I often look at that and say it is good that we can get the government to move in that direction and say that it is providing some funding for fire protection in unorganized communities, small hamlets, smaller towns and townships across Ontario.

I often have difficulty, though, when I get letters from fire chiefs and firemen, particularly from the Niagara region, saying, "Why does the provincial government not remove the sales tax on fire equipment?" If you are talking about buying a piece of fire equipment today, say a class A pumper, you are looking at about—

somebody mentioned \$100,000 to \$125,000. I think the city of Port Colborne is spending around \$140,000. Maybe they are going to a Cadillac approach, but they are buying a Mack, one of the best out there, you might say.

I listened to the member for Algoma talk about the difficulties with some of the antique equipment out there; in my area, they are called antiques and are on display in parades and so on. I can recall my first days of involvement in the volunteer fire company in Port Colborne. We used to have a 1926 Godferson fire truck. The volunteers at that time called it the "God-forsaken fire truck" because we had to push it down the main street of Port Colborne. If you wanted to put the pump into gear, you had to have three persons, one on the throttle, one on the clutch and one with a big crowbar to get the pump going. We used to be criticized by council at that time because it was taking us some 20 or 25 minutes to get to a fire. It was embarrassing for volunteers and it was rather discouraging.

1140

When I talk about the time to get to a fire, I think it is most important that we look at the purpose of fire departments and firefighters in Ontario. They provide the service not only for firefighting purposes, but also for emergency first aid. Those are the two priorities. Often the government of the day, the previous government, seemed to have forgotten what services the firemen provide. Now they are involved in the Jaws of Life. The Solicitor General has provided some funding, but again, it is up to volunteers to raise the rest of it selling raffle tickets and you name it.

I am concerned about the present move in which more municipalities are going to have to be involved in the 911 number, and that is going to be costly. I find, looking at the 911 number, for example, it is really the fire department that is going to back up the ambulance services in Ontario. Many volunteer firemen today are well qualified in cardiopulmonary resuscitation, and thank God for that. We have someone we can depend upon in the community where we do not have the ambulance service responding in the time that is allowed.

I think the safety margin is about five minutes. If you cannot get there, you might as well forget about it. Even in the case of a building on fire or rescuing a person in a burning building, it is usually about five minutes. When we look at that five-minute response time, many communities cannot build a firehall every 10 or seven miles. It has to be within that range.

I think of the emergency measures organization back in the days when I was a representative on county council, of the money that was spent there putting up all of those alarm systems in almost every community in Ontario. I do not think to this day any of those sirens have gone off. Thank God for that, because the intent of their use was in the case of a nuclear attack. But the money that was spent there was of no value to the municipality.

At that time, the province, with the federal government, came in with a grant to smaller communities that were starting to establish a fire department and paid a 50 per cent subsidy on the purchase of a piece of equipment. Our township happened to be fortunate enough to get one at that time. That started us into modernized firefighting equipment.

Also on top of that, I think of the war years when the government had very little in fire protection in the municipalities. The federal government then came out, for war purposes, and bought these portable pumps. They were all mounted on trailers and provided good protection, even in some of the best municipalities. You could spread these out throughout the community and they were always there for backup. In some cases, they were used right at the start of a fire because you could put them behind any vehicle.

In some areas in Ontario even buying something like portable pumps is costly. With the large costs of trucks today, it is costly for even the richest of municipalities. Someplace along the line, the government is going to have to move in this area and provide additional assistance.

I talked about the 911 number. We are putting more demand upon firefighters to respond to other calls for emergency first aid treatment. When the government moves in that area saying, "We want better protection here to assist the ambulance drivers and to get paramedics in Ontario," they are not going to be in every community. That is why people depend more upon volunteer firefighters, because they are trained in any emergency. I have great praise for volunteer firefighters, and even the paid firefighters in Ontario, for the job they are doing.

Sometimes when you look at what they have to go through to fight a fire, we do not even have a guarantee they are wearing the proper equipment today. It is questionable whether the equipment they are wearing, their uniforms or working gear are safe. Some of the fire departments today probably still have the old canister of air to go into a building, instead of using the Scott Air-Pak

for breathing. One has to think about all these things.

I think the government is going to move in and take another look at the direction it is going in as it puts more emphasis on emergency treatment care in Ontario and the impact that is going to have on smaller communities. Those communities should be entitled to the same rights as larger communities in the area of providing health, safety and welfare for that community through the local fire departments. The government should be taking a good look at that.

I suggest a committee of the Legislature should take a look and see what the problems are in municipalities in regard to firefighters, the services that are provided for medical first aid treatment and for accidents on highways, the Jaws of Life. There is a serious problem out there.

One of the fire stations in Fort Erie was called out to the scene of an accident on Highway 3. It was a serious accident, and they had to use the Jaws of Life. The fireman was splattered with blood in his attempt to get the injured person out of the vehicle. The person said: "Don't touch me. I have AIDS." That was a frightening exposure to that fireman, who said, "What do I do now?" He did not have the proper equipment to handle a case like that. We are going to have to take a serious look at this.

I support the principle of the resolution put forward this morning. There is a problem for smaller municipalities that require good, sound fire equipment to look after the needs of their communities. I wholeheartedly support this resolution.

Mr. Bernier: I rise in support of ballot item 46, a resolution that the member for Algoma has put in Orders and Notices, a resolution urging the provincial government to assist the organized communities of Ontario financially with the purchase of firefighting equipment.

First, I must compliment the member for Algoma for his astuteness in observing that the Ministry of Northern Affairs, of which I was the minister for a number of years, brought in a program for northern Ontario. That was the result of a fire in the small northern Ontario community of Hurkett in which nine lives were lost. It was an unorganized community with no fire protection, no fire department at all. Two adults and seven children lost their lives in that fire, and that stirred a public outcry right across northwestern Ontario for some form of organized firefighting capability.

It did not take us long in the Ministry of Northern Affairs to realize that the need was there. It was obvious to us that a structure had to be brought together that would provide some form of firefighting capability to the small, unorganized areas where the dedication, the ambition and the pride of the people was very strong with respect to a program that we could come forward with.

We had to bring legislation before the Legislature to put in place a service organization called a local services board, not a municipal structure but a structure that would be elected through the democratic process at the local level on an annual basis. It would have the authority to raise money in a number of different ways and to accept government grants and assistance for items of service to the community—or to the pockets of population, as I have often referred to them—such items as sewers and water, street lights, garbage collection and, above all, firefighting capability.

That program was very successful. It is being expanded today on a regular basis. I believe I can say without contradiction that it was the model the member for Algoma saw which worked so effectively in northern Ontario. Now he wants, I think very correctly and appropriately, to extend it to the organized communities of Ontario.

1150

I would like to put on the record the success of the Ministry of Northern Affairs package, which came into being about April 1, 1977. I might say the program we brought forward was with the complete and total co-operation of the fire marshal's office. In fact, I often said to the director of the fire marshal's office that the only time we saw somebody from that office was under the call of an investigation or something of that nature. With this program, where they are involved in the actual design of the equipment, the training of the volunteers, we now see members of the fire marshal's office all across northern Ontario on a very regular basis; and it is very comforting indeed, I might say.

Members will be interested to know that from April 1, 1977, to March 30, 1986, some 48 fire pumpers were distributed across northern Ontario to the unorganized areas, to those local services boards. We also delivered about 73 firefighting packages. These firefighting packages were designed by the fire marshal's office to look after the needs of very small pockets of population. They were portable in nature and were designed to look after small areas. They could be pulled behind a half-ton truck and had all the necessary equipment available, even to an

ice auger to cut a hole in the nearby lake to put the intake for a portable pump. It was a portable package of extreme success.

It was always an experience and a pride to deliver one of those fire trucks; sometimes with my colleagues with me, sometimes not, but they were always pressing. I know the member for Sudbury East (Mr. Martel) was always anxious, and I think he finally had the opportunity to deliver four of those trucks to little communities in his riding. It was a very popular program.

In addition, we developed 52 firehalls across northern Ontario, which saw the development of one-, two- and sometimes three-stall firehalls, for a total expenditure of \$4.7 million. I understand that four more fire trucks will be delivered this year, 10 more portable fire trucks will be added to the services in northern Ontario and eight new firehalls will be built, for a cost of \$1.1 million.

Mr. McLean: I am glad to see they are keeping that program.

Mr. Bernier: Yes, it is an excellent program; there is no question about it. The total cost of that program to date is about \$5.8 million. That is just about twice the cost that it has taken the taxpayers—what, six months to pay for the travel of the ministers of this government? They spent over \$3 million in six months travelling outside the province of Ontario.

Mr. Martel: They were delivering the trucks by air.

Mr. Bernier: I hope they take those funds—

Mr. Speaker: The member's time has now expired.

Mr. Bernier: Oh, no. I was just getting started.

Mr. Speaker: The member for Algoma has six remaining minutes.

Mr. Wildman: I want to thank all the members who participated in the debate for their contributions and for their support. I particularly want to mention the member for Simcoe East, who, I think, as my colleague the member for Essex North (Mr. Hayes) mentioned, expressed the needs of the small rural municipalities with regard to fire protection very eloquently and pointed out the tremendous cost that faces small municipalities without a very great tax base.

The member for Essex North indicated the difficulties that he as a reeve had in obtaining very expensive equipment for his municipality, and the member for Erie (Mr. Haggerty) indicated the new demands that are being made on municipalities by provincial regulation to

meet the emergency needs without adequate financial assistance, whether it is an emergency plan, the 911 number or the use of new turnout gear—helmets and so on—meeting the needs not only of fire protection but also of responding to emergencies on the highway and the costs that are related to those activities.

The member for Kenora outlined the success of the unorganized communities assistance fund and the provision of assistance to small pockets of population across the north to provide fire protection. It is a very successful program. He is quite right when he says that it prompted me, as a northern member, to suggest that similar assistance should be provided to small municipalities.

I was particularly interested in the comments of the member for Grey (Mr. McKessock), the parliamentary assistant to the Solicitor General. I appreciate his support, but I am a little concerned about his characterization of this debate as a question of motherhood. I do not think any of us in this House should consider the protection of the lives of volunteer firemen in this province as a question of motherhood. I am concerned that the government should not see the passage of this resolution, if it is successful, as a motherhood question, but would see this as a need to expand its assistance to fire protection.

Hon. Mr. Nixon: Some of you guys are not even in favour of motherhood.

Mr. Wildman: Of course we are all interested in motherhood, but in the question—

Hon. Mr. Nixon: I said in favour of.

Mr. Wildman: —we are all protected in motherhood; but the problem with this, with the characterization of this debate in that manner, is to indicate, “Oh, yes, it is something we all favour,” which we all do, and therefore, it does not mean a lot in terms of the finances. That is what this debate is about: the cost and the finances.

He mentioned the unconditional grants and the additional assistance provided to the north and he talked about fiscal responsibility. We are all interested in fiscal responsibility, but I want to emphasize that the unconditional grants, even with the extra assistance given in the north, are just insufficient to meet the tremendous costs involved, whether it is \$1,100 per man per turnout year; or \$125,000, \$150,000 or even more for a fire truck.

I would like to conclude by referring to a letter I have just received from the Ontario Association of Fire Chiefs, dated February 10 and signed by W. J. Brown, the secretary.

I will read a couple of portions from it:

“We wish to notify you that the board of

directors were polled, and they unanimously supported your resolution. The huge property loss”—from fires, that is—“has given Canada a very dubious distinction of being a leader in per capita loss in the whole world. When you couple this with the loss of productivity and jobs to the industrial and commercial centres and the resource loss of our lumber areas, you realize that our province is especially vulnerable in the Canadian equation.

“If looking at the monetary issues were not enough, we have not even mentioned the untold agony and heartache that the human factor brings, or the ecological impact or the impact on our wildlife.

“We look at this resolution as a start in the right direction, as there is a need in all areas and municipalities for government support with respect to the fire service. We congratulate you on your courageous resolution and support you 100 per cent in your effort to have this legislation passed.”

I hope all members of the House will take the words of the fire chiefs of this province to heart in determining whether or not they will support this resolution. We must support the volunteers who risk their lives to protect us and other members of the general public and property in this province. They must have the equipment that is required.

The small municipalities must have assistance over and above the unconditional grants to enable them to purchase equipment, so that they are not dependent on 1943 fire trucks that might fail when they meet an emergency.

I hope the government will act on this resolution, if it passes the House; that it will see it not only as a motherhood question but also as an issue that is of tremendous import today in this province, and one that will affect the budgetary approach of this government in that it will provide assistance to the small municipalities to implement this resolution. Do not just vote for it, but make that as a step towards actually providing financial assistance to the small municipalities, so they can get the fire protection that they need and that we all need.

RETAIL BUSINESS HOLIDAYS AMENDMENT ACT

Mr. Speaker: Mr. Ashe has moved second reading of Bill 188, An Act to amend the Retail Business Holidays Act.

Motion agreed to.

FIRE PROTECTION EQUIPMENT

Mr. Speaker: Mr. Wildman has moved resolution 10.

Motion agreed to.

The House recessed at 12 noon.

AFTERNOON SITTING

The House resumed at 1:30 p.m.

MEMBERS' STATEMENTS

SEARCH AND RESCUE OPERATIONS

Mr. Jackson: Seven people nearly died last weekend on Burlington Bay and, as the Burlington Spectator wondered in its editorial Tuesday, "Why did the rescue effort seem to hinge more on the personal courage of the rescuers and good luck than adequate preparation and standby equipment?"

Why did that happen, I ask the Solicitor General (Mr. Keyes)? Why, after he took office, did he cancel the purchase of a proper air-sea rescue helicopter for the Ontario Provincial Police authorized by the member for Mississauga East (Mr. Gregory) when he was Solicitor General in the Conservative government? Why did he do nothing when Management Board decided it was better to sacrifice safety and proper equipment than spend the necessary dollars?

Why now, when he has his \$1-billion war chest, does he continue to put lives in jeopardy by not adequately equipping our rescue services? What is the Solicitor General's response to Alderman Jim Grieve, a member of the Halton Regional Police Commission, who said, "The Solicitor General must either assume responsibility for rescues or tell us we're responsible and provide the funding"?

Firefighters from Burlington and policemen from Hamilton risked their lives to save ice-boaters who went through the ice. But they did not have the equipment to do the job. That came from a stroke of luck. A man demonstrating his hovercraft was close at hand when the incident occurred.

A man died last month and seven nearly died on the weekend. What will it take for this government to recognize its responsibilities and restore the rescue equipment our people need? We would have that equipment today if the Solicitor General's government had not cancelled it. How many more lives will he risk before he acts?

SPRAY PROGRAM

Mr. Laughren: For the last two years, there has been no chemical spraying of our forests in this province. This year, the minister announced there would be no chemical spraying this year

either. There was much applause from the environmentalists, this party and one half of the Tory caucus. There were boos from the forest industry and the other half of the Tory caucus.

The minister then announced he was considering a request from the federal government to permit chemical spraying in selected areas in northern Ontario. There was applause from the industry, the federal government and one half of the Tory caucus. There were boos from environmentalists, the New Democratic Party and one half of the Tory caucus.

The minister should stop his chemical striptease and, as Maine and Quebec have done, ban the spraying of chemicals once and for all. For 17 years, Pennsylvania sprayed chemicals to combat the gypsy moth budworm. In 1982, they switched to *bacillus thuringiensis*, the biological spray. Since then, the costs have dropped by \$1 per acre, less than it cost them for the chemical spraying, and the results have been just as good as with the chemical sprays. It is time we followed that lead in Ontario.

FARMING

Mr. McGuigan: I was so impressed by the remarkable photography and choice of photographs in John Deere's 150th anniversary publication of *The Furrow*, the November-December 1986 issue, that I asked the company for copies to be sent to each member. These were put in the mail yesterday.

The company chairman, Robert A. Hanson, points out that despite the remarkable transformation of the industry, certain basic and universal aspects of farming and farm life have remained essentially constant throughout the century and a half John Deere has been in business.

Some of the photos remind us that farming continues to revolve around nature's endless cycles of regeneration and growth, climaxed by the ultimate satisfaction of harvest. Others emphasize age-old problems of coping with nature. Additional scenes include the long hours and hard work that remain very much a part of farming, the fundamental importance of the family in rural culture and the lasting appeal of farm life.

The illustrations point out that the inherent nature of life on a farm draws family members close to each other as well as to the land. Few callings offer a richer variety of triumphs and

sorrow to share or as many opportunities for building dreams together. Each farm family fashions its own unique heritage and sacred tradition as generation succeeds generation in wresting a living from the land.

I hope the members will take a few moments to reflect on these beautiful photographs at a time when farmers are preparing for a planting season to be followed by a marketing season made difficult by the government's inability to adopt sensible food production policies.

MULTICULTURALISM

Ms. Fish: At a time when the pluralistic nature of Ontario society becomes an ever more dynamic part of our way of life, my party and I cannot but regret the cumulative but frankly escalating disrespect for minorities displayed by the present government.

The early anti-Semitic slur of the Minister of Agriculture and Food (Mr. Riddell), the remarks of the member for Lambton (Mr. D. W. Smith) in support of Mr. Keegstra, the inappropriate racist humour of the Solicitor General (Mr. Keyes), the unfeeling use of the term "retard" by the Premier (Mr. Peterson), the superficial and patronizing 15-minute presence by the Premier at the dinner honouring Bishop Desmond Tutu, only to have the Premier whisked away by helicopter to another black-tie event he was attending that evening, all speak to a pattern that is disappointing at best and disturbing at worst.

Multiculturalism and tolerance are more than just dressing up in folk costumes; they are displaying sincere and honest belief in the reality of a pluralist and caring society. This government has displayed quite the opposite.

STEEL SHIPMENTS

Mr. Mackenzie: I have a matter of some importance to raise with the members of this House and with this government. At meetings in Washington over the past few days, representatives of the United Steelworkers of America, including Ray Silenzi, president of Local 1005 in Hamilton, met with various American officials including Congressman Jack Murta, chairman of the steel caucus, who indicated that trans-shipment of steel was a real problem; that steel from outside Canada, from Romania and a number of other countries, shipped through Canada was hurting our cause with the US and was nothing short of fraud in the opinion of the Americans.

Considering the strength of protectionist feelings, elected US congressmen and senators

cannot understand why there has not been a stronger position from our federal government aimed at ending these under-the-counter shipments. Inasmuch as the federal government appears to be incapable of dealing with any issue, particularly where fraud is involved or jobs are at stake, it is important that the government of Ontario speak out to fill this void and force the federal government to end the deceitful trade practices in steel that will, if unchecked, lead to a cutback in the market share held by Canada under existing voluntary restraints from 3.2 per cent to 2.4 per cent in legitimate finished steel shipments to the US. This, I am told, would mean 4,000 jobs in the Canadian steel industry.

HOCKEY GAME

Mr. Sargent: I have good news. This morning at the game at Maple Leaf Gardens, the three stars were the Leader of the Opposition (Mr. Grossman), the Minister of Transportation and Communications (Mr. Fulton), the member for Lambton (Mr. D. W. Smith)—and the member for Middlesex (Mr. Reycraft) nearly had a shutout.

Interjections.

Mr. Sargent: I know, but they are that good we have four this time. We demolished the press gallery.

COURT RULING

Mr. Allen: On January 27, 1987, the Divisional Court of the Supreme Court of Ontario issued a unanimous decision declaring that full-time teachers, regular part-time teachers and continuing education teachers are teachers within the terms of Bill 100, the Education Amendment Act, and regulation 277 under the act.

The panel of three judges reviewed these three cases that have been before the courts and/or the Ontario Labour Relations Board for several years: in the first case, the teachers at a special-purpose school, Humewood House in Toronto, administered by the East York board; in the second case, a Windsor case as to whether summer or night school teaching was implicated in a strike under Bill 100; and in the third case, an Ottawa case, as to whether continuing education teachers are teachers under provincial legislation and a proper part of the bargaining unit.

This definitive judgement is crystal-clear that in all these cases the teachers are in fact properly teachers under the acts and regulations in question and part of the teacher bargaining units. Since one or more of the parties appear to be preparing renewed litigation, and so there may be

no further doubt, I appeal to the Minister of Education (Mr. Conway) to bring this outstanding dispute to an end by presenting amendments to the acts and regulation in question clearly identifying such teachers as teachers in accord with this judgement of the court.

1340

TAX REVENUES

Mr. Callahan: Very quickly, the member for Burlington South (Mr. Jackson) keeps talking about this war chest of \$1 billion. I can tell the House that the people of Brampton are very happy about the things the Treasurer (Mr. Nixon) is doing and proposing in my riding. The member's government left us without proper court facilities and without proper medical facilities. One had to wait for five hours in emergency services. The Treasurer of this government is doing something about it; so the member should stop talking about the procedures his government pulled on the BILD program just prior to the 1981 election.

STATEMENTS BY THE MINISTRY

EMPLOYEE SHARE OWNERSHIP PLAN

Hon. Mr. Nixon: In the 1986 budget, I introduced a detailed proposal for the support of employee share ownership plans in Ontario. I plan to introduce legislation today entitled An Act to provide an Incentive to Ontario Employees of Small and Medium Sized Corporations to Purchase Newly Issued Shares of their Employer Corporations.

As members will recall, in announcing the budget proposal, I called for the advice and counsel of concerned organizations, members of the public and members of the House. A working group of staff from the ministries of Treasury and Economics and Revenue was established to review submissions.

In order to inform fully all members of this House, I am also taking this opportunity today to table copies of the written submissions received by the working group, together with a copy of its final report. Both appear in the background compendium to the legislation. A list of the written submissions received is included as an appendix to this statement.

Members will note that a number of significant changes to the original proposal have been incorporated into the final design of the program. Most of these changes are a direct result of the consultation process and are detailed in an appendix to this statement. I am confident that the ESOP program as now designed can attain its

principal objective of fostering a spirit of co-operation between employees and employers by providing an innovative opportunity for employees to participate in the ownership of their firms.

My introduction of the bill today and my intention to introduce a similar bill in the new session will provide additional time for discussion.

OCCUPATIONAL HEALTH AND SAFETY

Hon. Mr. Wrye: Today I wish to propose for discussion a draft bill that sets out the first comprehensive revision of the Occupational Health and Safety Act in close to a decade. The draft bill is far-reaching and destined to play a central part in the government's effort to ensure that Ontario has the best occupational health and safety record in all of North America.

The first worker health and safety legislation in our province was enacted in 1884. The Occupational Health and Safety Act came into force in 1979. These draft amendments represent the first comprehensive revision of the act since then. They are designed to ensure that the obligations for work place health and safety are clear to both management and labour and that both work place parties have the capacity to meet these obligations. If the parties fail, these proposals strengthen the government's hand to enforce the act.

The draft bill provides for enhancements in four major areas: rights and responsibilities, training and information, enforcement and administration. It greatly increases the number of joint labour-management health and safety committees in the province by eliminating exemptions that have been granted to work places in the past. It also enhances significantly the role of the committee in the work place. These committees are designed to serve as instruments for the prevention of work place illness and injury and for the resolution of occupational health and safety issues.

In addition, the draft bill proposes greater protection for individual workers. As honourable members know, the current act gives workers the right to refuse work they believe is unsafe. It also requires an investigation of the work refusal. Employers, however, currently have the latitude to assign the refused work to a second worker. This puts the second worker at risk and is unacceptable. We would prohibit such substitution until the investigation of the refusal has been completed and the matter has been resolved.

The right of refusal, however, without the right to be paid for the lost time is an empty right; so we propose to enshrine in law the right for workers to be paid at least 75 per cent of their wages for any time lost because of a work refusal or a stop-work order.

If Ontario workers are to exercise their rights under this act freely and fully, they must be free from the fear of harassment, intimidation and reprisal. Therefore, the government intends to establish a new office of investigations to help workers exercise this freedom.

The draft bill also proposes a number of measures to underscore the fundamental responsibility that the employer has for occupational health and safety. It is the government's belief that an effective health and safety program requires the commitment and active involvement of senior management. The act therefore must state clearly that every director and officer of a corporation has a duty to take all reasonable care for worker health and safety.

We propose that employers be obligated to set out and formally undertake work place health and safety programs. In that context, it is basic that employers mount effective health and safety training for their employees. We also propose that employers be required to respond in writing to the recommendations of the joint health and safety committee and to provide to the committee the results of all tests.

Finally, we propose a number of measures to strengthen enforcement of the act. As honourable members know, I have been of the view for some time that the maximum fine for corporations under this act is far too low. It understates the critical importance of living by the occupational health and safety law. The time has come to demonstrate the seriousness with which the government and society view work place health and safety. We therefore propose to increase 10-fold the maximum fine, from the current \$25,000 to \$250,000.

Ontario workers have the right to report to the job every day free from the fear that they will return home sick, hurt or not at all. The realization of this right is essential to a caring society. It is a basic measure of society's respect for and recognition of people as human beings and not as mere components in a production process.

The proposals that I have put forward today will give greater meaning to that right. I look forward to discussing them with labour, management and the general public in the coming weeks.

RESPONSES

EMPLOYEE SHARE OWNERSHIP PLAN

Mr. Harris: Rarely have we seen so false-hearted a use of this Legislature as the statement of the Treasurer (Mr. Nixon) today. Ten months ago, the Treasurer stood in his place and promised the workers of Ontario the employee share ownership plan. Ten months have gone by. Now, knowing full well that this sitting has four hours to run, the Treasurer announces his intention to introduce legislation.

Why would he make such an announcement? Not to keep his promise to the workers of Ontario, and certainly not to prove his ability to set a coherent legislative agenda; no. He made this announcement for one reason and one reason alone: to get headlines, to get a few column inches in the newspapers and a couple of seconds on the evening news. It is just like his cynical announcement of yesterday concerning the capital tax reduction program for farmers. We see a Treasurer whose word carries little weight unless he can get press coverage out of it.

If the Treasurer were serious and sincere about helping employees buy shares in their employers' firms, we would have heard this announcement much earlier than 10 months after the budget. The tax increases in the Treasurer's budget took effect immediately, but his commitments to the people of Ontario are left until much later, if remembered at all.

It is the Treasurer who tells the media he has so much money for high technology he does not know what to do with it all. The Premier (Mr. Peterson) knows what to do with it all. He gives \$17.5 million to his friend Abe Schwartz; \$5.1 million to Abe's partner, Terry Graham; and \$3 million to Wyda Systems when the spouse of a cabinet minister is an officer. The loans-for-Liberals program operates full blast; the disabled are ignored.

The Treasurer forgets his government's throne speech promise to retrain older workers, to set up a modern lab to ensure the purity of the food we eat or to create a nonprofit centre on new information technologies. Where is the commitment? Why are the promises not kept? Is this government so lacking in courage it will say anything to get headlines, but lacks the will to put its promises into action?

1350

When this Legislature meets again, the spring tourism season will be in full swing. By that time, it will be a full year since the government promised to implement a long-term tourism

strategy, one of 20 throne speech promises not kept. Part of the strategy includes roadside rest stops along the highways, made in April. This government is so incompetent it needs more than a year to build an outhouse.

The employee share ownership plan deserves more respect from the Treasurer than this. He has let down the workers of Ontario. Let me assure him, they will remember.

OCCUPATIONAL HEALTH AND SAFETY

Mr. Gillies: What a cynical gesture for the Minister of Labour (Mr. Wrye) to come in here on the last day of this session, not with legislation to improve the tragic circumstances in occupational health and safety in this province, but with a discussion paper. How appropriate that this government's sole response to any serious issue affecting working people is study, study, study; discussion, discussion, discussion.

This minister knows that 248 people died in the work place in this province last year, a dramatic increase from 1985. Work place accidents are up. Work place deaths are up.

The member for Sudbury East (Mr. Martel) brings a bill into this House and the minister says: "There is no need to vote for that because we are going to bring in a bill. Wait and see what the government does." We have the McKenzie-Laskin whitewash, which this minister in a most embarrassing fashion embraces; blaming workers, blaming the opposition, blaming the media for the failings in occupational health and safety in this province. When he has an opportunity to bring in something concrete for the working people of this province, he brings in a discussion paper.

I wonder how much discussion it took for this government to decide to give Abe Schwartz \$17.5 million. I wonder how much discussion it took for this government to let Wilf Caplan negotiate \$3 million for Wyda. How much discussion did it take for Mr. Graham to walk away with \$5 million? All the working people of this province get from this Minister of Labour is discussion on the last day of the session.

We know where this is going to end up—absolutely nowhere. Maybe after the election, if the minister is still there and if he feels like it, he will do something. All we get now is discussion.

Mr. Laughren: I would like to respond to the Treasurer's employee share ownership plan. We regard it—

Interjections.

Mr. Mackenzie: Can you call order, Mr. Speaker?

Mr. Speaker: I thank the members for their assistance. I am sure all members wish to hear what the member for Nickel Belt has to say.

EMPLOYEE SHARE OWNERSHIP PLAN

Mr. Laughren: I assume I have five minutes, Mr. Speaker.

We regard the Treasurer's plan for employee share ownership as second-class ownership and a first-class ripoff. We share the government's goal of fostering a stronger partnership between employers and employees and of providing new and welcome sources of equity capital for small and medium-sized businesses; however, we do not believe that the employee share ownership plan advanced by the Treasurer will accomplish these goals.

ESOPs offer working men and women a risky way to share in profits in an already too risky economy without a share of control over the circumstances that determine those profits. By making workers beneficial owners and leaving all the control in the hands of top management and owners, instead of democratizing the work place this plan will serve only to perpetuate a society divided into two classes: those who control and those who are controlled. The only difference will be that workers will have to risk their savings in return for the right to be controlled.

ESOPs were first advanced in the United States by investment bankers like Louis Kelso and anti-union politicians like Senator Russell Long. They have been implemented there by managers and owners interested in cheap capital and tax benefits rather than partnership and worker control.

OCCUPATIONAL HEALTH AND SAFETY

Mr. Martel: It is a hunk of junk that my friend the minister, as poor as it is, could not get by the cabinet to bring it in here as recommendations. It is more of the same despite the Law Reform Commission of Canada saying the internal responsibility system does not work. It is more of the same.

The Harvey study indicated that internal responsibility for the system does not work. It does not shift the balance of power one tittle. It all remains with management. Management still has all the power and the committees still have only a consultative role.

The minister should be ashamed of himself for even bringing this discussion paper forward. There is no requirement under the act. The internal responsibility system in the committees

can make recommendations, but if management chooses to ignore the recommendations there is not a thing they can do. They can do what they do at present now, which is to call an inspector in. Whoop-de-do. They have that power now. When management does not comply, one calls in an inspector. Nothing changes.

Do not try kidding the troops about all of these significant changes. It does not give the workers the right to protect themselves. Talk about the right to information. We have Bill 101. What is the minister kidding us for? In three places he has mentioned information in this silly little bill of his, which does nothing. They already have the right to some information. Bill 101 will give them more rights. They do not have the right to conduct tests and monitor. They have the right to be consulted. That is what it is.

The minister increases the fines. Is that not wonderful? He mentioned to the press that the last couple of fines have been \$40,000. The average fine has been \$2,000. Multiply that by 10, the figure he uses, and he is looking at \$20,000. It is the right to commit murder; that is what it is. That is what he perpetuates. The right to commit murder of working people in the work place.

I will tell members how bad it is. In section 20, he is going to remove the right of people to choose their own doctor.

Interjection.

Mr. Martel: Oh yes, he is. He is going to implement a thing that says, "The Lieutenant Governor in Council is authorized to make regulations respecting the appointment of physicians...." Whoop-de-do. We take the position that people have the right to choose their own physician and not somebody the company or the minister would like to deign to do the work. The whole thing is a disgrace. I think he should take it and dump it into receptacle 13 where it belongs.

ORAL QUESTIONS

Mr. Harris: We are in the last day of the session. This is the last time for over two months that we will be sitting here. I just received word that the Premier (Mr. Peterson) is going to be late. I wonder if we could stand down our leader's questions anticipating that he will be here.

Mr. Speaker: There has been a request to stand down the first two questions. Agreed?

Hon. Mr. Nixon: We have no objection to that. I understand the Premier will be attending. He is in meetings at present and has sent word to

me to convey that he will be here as soon as he can.

ADULT PROTECTIVE SERVICE WORKERS

Mr. R. F. Johnston: My question is for the Minister of Community and Social Services with regard to a problem that adult protective service workers in the province have, those workers who advocate for adult mentally retarded people in our society. The minister received a letter on December 10 from the Metropolitan Toronto group of adult protective service workers, in which they indicated that they now have a waiting list of 178 adults needing their assistance. Some of the references go back as far as 1984. The minister will note that, just prior to that, the verdict on the Dimun case, that unfortunate death, recommended that he put more money into APSWs to make sure people like Mr. Dimun would be protected in future.

What is he going to do to make sure there is adequate money to pay for the six extra workers we require in Metro?

1400

Hon. Mr. Sweeney: The member is aware that we have approximately 150 adult protective service workers and that there is a review going on right now with respect to the roles of guardianship, advocacy and case management. Part of that review is the examination of the combined case management and advocacy role of the APSWs. While there will continue to be growth in the number of people performing that service, the member would agree that until we have clearly defined who is going to carry out what role we would not want to expand the existing procedures.

Mr. R. F. Johnston: I really find this incredible. The minister is suggesting that until Mr. O'Sullivan reports and until the government then takes action on his report and decides where it wants to go, because it has turned down the Attorney General's (Mr. Scott) approach on advocacy up to this point, these people who are already on waiting lists, one of whom has died in Metropolitan Toronto in the last year, have to wait until all of that happens before his ministry will put any extra resources in here.

This is a government that has \$900 million in extra resources. There have been a number of coroners' inquests in the last number of years. Ms. Joubert and Mr. Dimun are probably the two most prominent cases. What action is the minister going to take to respond to coroners' inquests, or do those recommendations not mean anything any more?

Hon. Mr. Sweeney: My recollection of the inquest into the death of Mr. Dimun certainly did not indicate that his chief problem was the lack of an advocate to speak for him. There were a number of other issues involved in that, and I will not go into any detail. I have already indicated that the Attorney General has a committee looking into the whole role of guardianship.

Springing from that was the clear statement by that advisory committee, involving members from a number of advocacy associations across Ontario, that there should be an independent advocacy role and, as part of that, there was a clear statement of concern about the joint advocacy and case management role of our existing adult protective service workers.

As I indicated, we are certainly moving forward on that front, but it seems reasonable that we identify what the roles are going to be and who is going to perform them before we expand an existing service that is under question. That seems like a logical way to go.

Mr. Reville: The minister's memory of the Dimun inquest recommendations is faulty. The inquest says that APSWs are massively over-worked and massively underpaid. He has the cases on the waiting list: a 40-year-old man, waiting eight months, desperately needs housing, and an APSW is a precondition to his getting housing; a 40-year-old man, waiting nine months, with a physically handicapped father, needs an APSW to get financial assistance, housing and a day program; a 21-year-old woman, developmentally handicapped, waiting seven months, in an abusive home, desperately needs an APSW.

How can the minister expect this House to sit still while he talks about a logical review when this kind of abuse is going on in the city and in the province and when we desperately need to provide comfort and support to the most vulnerable people in Ontario?

Hon. Mr. Sweeney: I point out to the member that over the last couple of weeks I have had meetings with three different associations dealing with the developmentally handicapped in Ontario and gone over with them a whole range of services at the community level that are necessary for these citizens of Ontario. Adult protective service is simply one of them. The member mentioned housing; that is one. Sheltered workshops are another. A whole range of day programs is another. A whole range of assisting developmentally handicapped people who are living with their aged parents is another. The list goes on and on.

All those are being dealt with. Obviously, the resources that are available cannot be put to any one of those applications but have to be spread over the whole range of those applications.

OCCUPATIONAL HEALTH AND SAFETY

Mr. Mackenzie: I have a question for the Minister of Labour.

On December 9, 1986, the Ministry of Labour issued an order for the testing of workers at Stelco in Hamilton who were exposed to polychlorinated biphenyls, an order that was hailed at the time it was issued. This was done under the new biological regulations put in place on December 6. There could be up to 1,000 workers involved.

Will this Minister of Labour explain to this House why, yesterday, on instructions from Dr. Peter Pelmeur, director of the occupational health branch, his ministry met with the union and the company, rescinded the order and issued a new order which is restricted to the power department only? Will he clearly explain who ordered this betrayal of the workers' rights to the testing and protection in that plant?

Hon. Mr. Wrye: Yes, I would be delighted to explain that. We had a number of discussions this morning on this matter.

I want, first, to assure the honourable member, the other members from the Hamilton area and the workers that the amendment of the order—and I make no bones about the fact that, clearly, the order has been amended—does not remove the right, at the choice of the worker, of any of those 1,000 workers, or whatever the number is, to have that testing done by the physician of his or her choice. That right remains. What the amendment has done is to remove the obligation on all the 37 workers to have the testing done.

Effectively, what that means is this: a worker who was exposed to PCBs some 20 years ago and who was on the list under the original order would have been obliged to undergo that testing. What we have done is to say that worker who was exposed to PCBs 20 years ago shall have the right to say yes or no.

My staff has been in touch with Mr. Silenzi and Mr. Fraser. We have invited them to Toronto. We are prepared to do anything they suggest might be reasonable to try to encourage those workers to avail themselves of the rights which remain there.

Mr. Mackenzie: Surely the minister has to realize that is not acceptable. Will he explain to me and the 8,000 workers at Stelco how this retreat on an order that now covers only 40

workers or fewer and eliminates hundreds of workers, some of whom have already been tested, as the minister must know, at up to 38 parts per billion, can possibly indicate a concern for the workers in that plant? Surely he must understand what he has done with this repeal of the order and this new order.

Hon. Mr. Wrye: I am not too sure what the member's concern is, because there is no lack of right on the part of the worker to have that testing done by the physician of his or her choice, at cost to the company. While the order has been amended and reduced to allow workers who were exposed, often many years ago, the right to say, "No, I do not wish to be tested," we have reconfirmed with the company that all workers exposed to PCBs who would have been caught by that previous order, or any worker who wishes to be tested, will be allowed to be tested.

I am prepared again to sit down with Local 1005 and to do anything I can to encourage any worker who wishes to be tested to be so tested.

Mr. Mackenzie: I do not know whether the minister knows it or not—he will find out if he does meet with them tomorrow—the health and safety committee of the local, the executive and many members of the local union are simply furious.

Can this minister, who used to refer to himself as the minister for labour, tell us how he can retain a shred of integrity when he has just allowed hundreds of workers to sink in his own personal swamp and toss lifeboats to about 35 or 40 of them? What credibility can he claim, with a record that is even more insensitive and incompetent than we are seeing from some of the crooks in Ottawa?

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Hon. Mr. Wrye: I will try to ignore the cheap shots and give a reasonable and reasoned response. I say to my friend—and I want to try to be reasonable and reasoned about it—that I care every bit as much as he does about the workers of Stelco and the workers of this province. I would not take it upon myself to stand up and say I care more than that individual member does. I know he cares a great deal. I just wish he and some of his colleagues would sometimes allow that other honourable members in both parties have the same kind of care and concern he does.

I have said I will sit down with Local 1005 at its earliest convenience—I hope it will be tomorrow morning because I am quite available to meet with them—and we will attempt to resolve this in a way that will ensure that every worker who wishes to be tested will so be tested.

IDEA CORP.

Mr. Gillies: We did want to direct questions to the Premier (Mr. Peterson) today, but I guess he is hiding, or maybe he is stuck in the lineup at the London airport. In the absence of the Premier, I will direct my question to the Minister of Industry, Trade and Technology.

Mr. Epp: Your own leader is not there.

Mr. Speaker: Order.

Mr. Gillies: We were scandalized, as I am sure most members were—

Mr. Epp: That is a cheap shot when your own leader is not there.

Mr. Speaker: Order. I ask members to maintain the decorum, if possible, this last day of the session.

Mr. Gillies: We were scandalized this morning to read in the media that the \$5.1-million investment in the Graham Software company has now been settled out of court by the Ontario Development Corp. and the taxpayers will possibly see a return on that \$5-million investment in the amount of \$300,000. I would like to review a couple of the facts in this matter with the minister.

The minister will know that for months he and his officials did nothing to monitor the activities of this company. He will know that in a seven-month period last year this company spent \$3 million in expenses while its gross sales amounted to \$200,000. They moved in too late, and the taxpayers' money is gone.

We want to know if the minister agrees with his official at ODC when he says: "We got back what we could for the taxpayers. It could have been a lot worse." Will the minister explain to us how it could have been worse?

Hon. Mr. O'Neil: I think that was basically the same question that was asked the other day, and I will give the member basically the same answer.

Interjections.

Hon. Mr. O'Neil: It is basically the same question. If the members opposite, when they were in government, had set proper rules for the running of the IDEA Corp., there would not have been any of that money lost.

Mr. Gillies: It is not the same question at all. First, the minister knows he and his officials approved this investment, nobody else. The minister's officials now go in and say there are hardly any assets left, but we may be able to recover \$300,000 out of \$5 million which the minister ill advisedly approved.

Can the minister explain how it is that in recent weeks—not years ago, which the minister likes to talk about—the Graham Software company had an asset, the Mazdamon program, which was sold to an American company, UCCEL, for \$2.4 million and that the proceeds in the past several weeks from that sale are going to other creditors—not back to the taxpayers, but to other creditors—including the officials of the company who were paying themselves inflated benefits and salaries?

Will the minister not give us a history lesson; will he instead tell us what he did in recent weeks to try to recover more than \$2 million of the taxpayers' money rather than see it go into the pockets of questionable business people with whom he has dealt?

Hon. Mr. O'Neil: First, to set the record right, it was not approved by this government; it was approved by the IDEA Corp., a corporation that was set up at arm's length from this government and whose directors were appointed by the previous government. That is where part of the problem lies.

It is true the assets were sold for \$2.4 million and over \$1 million was paid to small and large creditors who were owed money by that firm. We felt it was only just that they should be paid off. The remainder was left to the provincial government. It was approximately \$300,000 that we recovered.

I will say again that had the previous government set up IDEA in a proper form, with proper rules, regulations and guidelines, we would not have this problem today.

Mr. Gillies: As the minister and members of this House know, the bulk of the funds from the IDEA Corp. were expended under his administration. They went out successively in often questionable political circumstances. Between Wyda and Graham Software alone, we saw \$8 million of the taxpayers' money down the tubes.

Will the minister come clean? Will he admit to this House that he settled this matter out of court because he is trying to sweep it under the rug? Will he not admit now to the House that this scandalous situation is worthy of investigation by the Ontario Provincial Police, an agency, I might add, which is already overworked under this corrupt administration.

Hon. Mr. O'Neil: I think the member would have to agree that this government has kept the standing committee on public accounts fully aware of the procedures as they happened.

The member was asking about not being notified until yesterday. The circumstances did not happen until Tuesday night, but throughout

this whole thing ODC officials have been told to keep the public accounts committee fully aware of what was happening. We also had the ODC call up the public accounts committee—and the clerk of the committee reinforced this—and state what we were doing and that we would like to speak to the public accounts committee before Friday of this week.

Mr. Pope: Let us be very clear about this to the Minister of Industry, Trade and Technology. There was \$3 million to Wyda. It was negotiated by a spouse of a cabinet minister. A self-described Liberal hack was paid \$30,000 for his services. There was \$17.5 million to Abe Schwartz, a friend of the Premier on his transition team; Abe Schwartz's partner, \$5 million; Terry Graham, with connections to the Liberal party, \$5 million. It is a Liberal scandal, three of them in a row involving high-technology companies in this province in which the Premier and the minister are involved.

We want to know when the cabinet and the Premier of this province decided to settle that lawsuit out of court for \$300,000, costing the public taxpayers of this province \$4.8 million. We want to know when the cabinet approved that.

Hon. Mr. O'Neil: I am sorry the member was not available for the estimates of the Ministry of Industry, Trade and Technology this morning.

Mr. Pope: I was there last week.

Hon. Mr. O'Neil: The member was there last week, but he was not there this morning. We brought before the committee hearing estimates of our ministry the officials of ODC who gave a complete overview of both Wyda and Graham Software.

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Mr. Pope: Let the record show that for the last six months this minister has not once stood in this Legislature and informed us and the people of Ontario what is going on with his mismanagement and his Premier's scandals. We have to try to get it out of him. That is the kind of standards they have over there with the sleaze and corruption that is going on in this government.

Mr. Speaker: Order. I ask the member to control himself and ask a supplementary.

Mr. Pope: First, I was in public accounts this morning—

Mr. Speaker: Order. Do you have a supplementary?

Mr. Pope: Yes. By way of supplementary, we asked the minister when the cabinet—and the

cabinet had to have made this decision—agreed the taxpayers would take it on the chin for \$4.8 million for the minister's Liberal friends. When did it do it? The government should table all the documents that justify that kind of decision right now. I was in public accounts this morning investigating another Liberal scandal.

Hon. Mr. O'Neil: It is my feeling, the government's feeling and ODCs feeling that the moves we took concerning Graham and the recovery of those funds were the moves that should have been taken; otherwise there would not have been anything left at all.

Mr. Pope: There are no answers from this minister as to the dates on which he made that decision, no information tabled in this Legislature. I can tell members what the court document showed. Do members know who got paid that \$1 million? Terry Graham got \$116,000 in salary for seven months' work and \$24,000 in expenses. Another shareholder, a Mr. Wigdor, got \$35,000 in wages for a four-month period. Another shareholder, a Mr. Wawrew, got \$50,000 in salary for five months last year. That is who the government paid off. The government's friends were paid off.

Mr. Speaker: Question.

Mr. Pope: I want to know what the standards of this government are in handling these scandals. We have had Wyda, \$3 million through Wilf Caplan; we have had Graham Software, \$5 million through Abe Schwartz's friend; and we have had \$17.5 million to Abe Schwartz. What are the government's standards?

Mr. Speaker: Order. Will the member take his seat?

Mr. Pope: John Turner said, "Once is an accident; twice is—

Interjections.

Mr. Speaker: Order. I know it is the last day of the session. I wish members would show a little more respect for the chair. Response, minister.

Hon. Mr. O'Neil: First, we stand very high in the things we do here. I can remember that for many years, while we were in opposition, we appeared at estimates of the Ministry of Industry and Trade and used to find fault with the IDEA Corp., the high rentals, the high payments made to people who resigned from it, money wasted over the years. It was something the former government put into place. They were operating on the rules it put into place. The problems we have are those the former government caused.

Interjections.

Mr. Speaker: Order, the member for Brampton (Mr. Callahan) and the member for Sarnia (Mr. Brandt). I am sure there are a lot of members who would like to ask questions.

Mr. Pope: I would like to turn to another one of the three scandals involving high-technology companies. I repeat: John Turner said, "Once is an accident, maybe; twice is incompetence, maybe; three times is corruption." That is corruption. That is the record of this government with respect to Wyda, with respect to Graham Software and with respect to Exploracom.

Why was action taken by the IDEA Corp. only against Avi Dobzinski and not against Wilf Caplan, who at all material times was vice-president of finance for Wyda? Why was action not taken against him with respect to the representations that were made in the financial matter of Wyda?

Hon. Mr. O'Neil: We took action when we did—as I mentioned, that petition was allowed on Tuesday evening of this week—because we had heard that certain furniture and cars were being shipped out of the country and we took the action at that time. We took action against Mr. Dobzinski because he is the main shareholder of the company.

Mr. Pope: The standing committee on public accounts unanimously found that Wilf Caplan was the vice-president of finance and that he prepared the business plans and financial projections that were provided to IDEA Corp., on the basis of which the loan decision was made.

It unanimously found that Wilf Caplan, the spouse of a then cabinet minister, the spouse of a current member, met on the morning of April 10, at which time the debts were negotiated to be paid off. Those debts, in the minister's own affidavits and his own proceedings, are referred to as overinflated and perhaps fraudulent.

I want to know why there is a double standard, why Avi Dobzinski is proceeded against in court, and yet a spouse of one of his members gets away—and I use the term exactly correctly—scot-free.

Interjections.

Mr. Speaker: Order.

Hon. Mr. O'Neil: Again I repeat, the action was taken against Mr. Dobzinski because he was the main shareholder.

OVERCROWDING IN SCHOOLS

Mr. McClellan: I am afraid I have a very parochial question to ask the Minister of Educa-

tion about the accommodation crisis at the Bishop Marocco High School in west Toronto.

Mr. Sterling: Is that all you can come up with?

Mr. McClellan: I think our community is entitled to a high school.

On November 21, 1986, the minister received a letter from Mrs. S. Vitale, president of the parent-teacher association at Bishop Marocco High School, which reads in part:

"At present, 175 grade 9 students are inhabiting half of the top floor of an existing elementary school. Next year, when the school will have a population of over 400 students, we have a serious concern and apprehension because no high school facilities are available in west Toronto."

Can the minister tell the House what provisions are in place to ensure that school boards in Metropolitan Toronto begin to resolve this very important problem?

Hon. Mr. Conway: I thank the honourable member for his question. I am aware of the situation at Bishop Marocco. In fact, earlier this week I met with the chairman of the Metropolitan Separate School Board. Specifically, I can indicate to the honourable member, as I indicated to the chairperson of the Metropolitan Separate School Board, that in recent months we have changed the regulations under the Education Act to provide specific financial incentives for public boards to share and to lease facilities to those coterminous separate boards that have the kind of space pressures to which the member has made reference.

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In other parts of the province—I think specifically of communities such as Windsor and Sarnia—those incentives have produced very positive results. I am very confident that both public and separate boards, working co-operatively together in Metropolitan Toronto and recognizing the interests of the students, the teachers and the communities involved, will take advantage of those incentives and provide the necessary accommodation for the students of Bishop Marocco and elsewhere where the pressure is indicating some movement.

Mr. McClellan: The minister will be aware that there will be 400 students coming to this facility as of September 1987. At this point, there is no facility to accommodate them. The deadline is pretty well close to the line. Can the minister share with us what steps he will take to personally

intervene in this situation if that becomes necessary?

Hon. Mr. Conway: May I thank the honourable member for his many representations on behalf of the students and teachers and the Bishop Marocco community. Like my colleagues from communities such as Downsview, Parkdale and elsewhere, he has indicated the immediacy of the situation. As I have indicated, we have changed our regulations in recent months to provide additional incentives. I am pleased that in recent days the concerned parties have been meeting to discuss these and related questions.

There is a provision under the legislation, the amended Education Act, Bill 30, that sets out a process. I can tell the honourable member that officials from my department have met with the concerned parties to try to move the process along. I am quite confident that everyone involved is going to recognize that the interests of the students involved are going to require some action for September 1987.

MARKETING BOARDS

Mr. Reycraft: I would like to direct a question to the Minister of Agriculture and Food. In the past couple of days and as recently as this afternoon, I have received a number of telephone calls from farmers in Middlesex county who have expressed their anxiety about reports they have heard that the federal government is prepared to trade away our marketing boards as a part of the bilateral free trade negotiations. Is the minister aware of these reports? If he is, what action has he taken to protect our marketing boards?

Hon. Mr. Riddell: I am certainly aware of those reports. The comments coming from that confused and inept group in Ottawa and from the senior officials of the United States Department of Agriculture are most disconcerting, to say the least. Moreover, these remarks seem to contradict the public statements made by the Right Honourable Joe Clark, Secretary of State for External Affairs, the Honourable John Wise, Minister of Agriculture, and Charlie Mayer, who is the minister for the Wheat Board, for the lack of a better description of his portfolio.

I fail to understand the rationale of trading away the stability and the policy flexibility in Canadian agriculture for some vague hope of reducing US farm subsidies. Given the climate in Washington, such actions seem extremely unlikely regardless of the bilateral initiative. However, I believe all Ontario farmers would like to know what is on the table and what is not

on the table, so I have written letters to the Right Honourable Joe Clark and to the Honourable John Wise asking them to explain to us just what is going on and to give us their assurance that marketing boards will not appear on the bargaining table.

IDEA CORP.

Mr. Gillies: I have a question of the Minister of Industry, Trade and Technology. On a day when three scandals of this government are splattered all over the papers, we would have thought the Premier (Mr. Peterson) would have wanted to be here to answer to this. In his absence, I will ask the minister again about the Graham Software matter.

As the minister knows, last year this company expended \$3 million while its revenues were \$200,000. This company frittered away \$5 million. The taxpayers now will recover maybe \$300,000. After it was known, as we assume it was known, by the minister's officials that this money was going down the drain in an elaborate scam, will the minister confirm what we find in the affidavit the Ontario Development Corp. has filed with the Supreme Court of Ontario that in October of last year, when most of this money was already lost, ODC lent Graham Software more money to enable it to pull off the Mazdamon sale to United States interests? In other words, it lent them more money so that the asset could be taken out of the country and so that the taxpayers could not recover their money.

Mr. Speaker: Order. The member has asked the question.

Hon. Mr. O'Neil: If the honourable member were to review the testimony and wording that have been given by the ODC staff, I believe he would find that the investment was made and approval for it was received, but it was made to enable us to make sure we had an asset of approximately \$2.4 million that we would have to sell to pay off some of the creditors and at least have some recovery.

Mr. Gillies: I have never pretended to be an expert in high finance, but I want the minister to explain this to me so I can explain it to my constituents. ODC lent further funds to Graham Software so that it could divest itself of one of its major assets, so that other creditors could be paid off, so that we could be sure the taxpayers would not have this money returned to them. Will the minister not agree that this behaviour on the part of his officials is nothing short of bizarre? Will he not agree that clearly an external review of this

matter, and very likely a review by the Ontario Provincial Police, is necessary in this matter?

Hon. Mr. O'Neil: It is easy to see the member does not understand either high or low finance.

We knew there was an asset that was worth approximately \$2.4 million. The member will remember that ODC officials came before the standing committee on public accounts and that Graham Software had asked us for additional funding. We turned it down, but to keep the company going a little longer so there would be an asset there that was sold, that money was given to them.

OCCUPATIONAL HEALTH AND SAFETY

Mr. Martel: I have a question for the caretaker, the Minister of Labour. The survey conducted for the minister by SPR Associates of 3,000 labour-management committees concluded, "The system in place is employer-controlled and unable to protect worker interests." It also concluded that work place committees, unless backed up by strong law enforcement, which McKenzie opposed, led not to self-regulation but to self-deception. Without giving workers equal power to management in the work place, how will workers ever be able to protect themselves?

Hon. Mr. Wrye: The honourable member did not want to give them equal powers. Let us not even pretend the member proposed a balanced approach.

I want to say to my friend that there are a number of ways to improve the climate in the work place. One of the ways the government has chosen, and the member will see it in the draft bill, of which I am sure he has a copy, is to heighten the obligations on employers. We have dramatically done so. It will certainly not be in the interests of any member of the employer community in this province who wishes to flout the act and not work with health and safety committees. It will not be in the interest of the employer community to do so.

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I thought the honourable gentleman would have wished to note the proposed increase in the level of maximum fines for corporations to \$250,000. I thought the member would have wanted to say as he quotes that survey for his part, since he believes in additional enforcement, that the level of fine will be five times higher than the second-highest level of fine anywhere in this country. It seems to me this government has proved time and again just how serious it is about enforcing the act where enforcement is necessary.

Mr. Martel: That fellow should take his bongo balls and go home. He is an absolute disgrace.

Mr. Speaker: Do you have a supplementary?

Mr. Martel: That was just a bit of advice I gave him. The report concludes with the following findings:

"The committees are often perceived as ineffective. The ministry concentrates its inspections on large companies. Nearly 80 per cent of all work places are in violation of the law. Thirty-five per cent of the work place or worker safety representatives are selected by management." The list goes on.

In fact, the present system does not work. The minister and his proposed amendments are offering more of the same. Can the minister tell me how 240 inspectors for well over 100,000 work places will ever be able to get into the work places to protect the workers? The only way to protect workers is to give them some rights to protect themselves.

Hon. Mr. Wrye: I thought the gentleman would have noted the proposed amendments, which will greatly strengthen, I think he will agree, the workers' rights and the workers' right to refuse. I think sometimes my friend—and I understand he is sincere in his views—does not think through his proposals and the effect what he is saying would have, particularly in nonunion work places.

I think he and I will both agree that our greatest problem remains in nonunion work places, where we do indeed have a major difficulty. My friend believes that somehow, magically, through his proposals, which are more confrontational in nature, that problem will be solved in nonunion work places. With respect, I do not believe it will be.

What we have to do is strengthen the system to ensure that labour and management will work together; and to ensure that where they do not the power of government can come down on them quickly and effectively.

Mr. Martel: The minister does not have enough inspectors and he knows it. There are 240 inspectors; they would have to inspect 32 hours a day, eight days a week.

FERRY DOCK

Mr. Mancini: My question is to the Minister of Transportation and Communications. I will try to speak over the voice of the member for Sudbury East (Mr. Martel).

I want to ask the minister whether he has kept in touch with the Minister of Transport for

Canada in regard to the reconstruction of the vessel docks in Kingsville, Leamington and Pelee Island and whether the government of Canada has been kept informed that we are moving ahead in the construction of a new \$10-million vessel for the southeastern part of Essex county?

Hon. Mr. Fulton: I thank the member for his question and I will take the opportunity to thank him for his ongoing and continued support for the initiative for the development of the Pelee Island ferry.

I have been in contact with the current federal Minister of Transport, as I was with his predecessor and as I have been with the Governor of Ohio, to bring about the needed dock replacements and rehabilitation to facilitate the new ferry boats.

Mr. Mancini: I want to bring to the minister's attention that there have been comments in the local media, both by federal civil servants and by the federal MP, which kind of put forward a negative position as to whether or not the government of Canada is prepared to fund the reconstruction of these docks.

Since the federal member of Parliament and federal officials seem to be somewhat negative on this particular proposal, will the minister, on behalf of the people of southeastern Essex County, in particular Pelee Island, Leamington and Kingsville, make personal representation to the Minister of Finance, so our community can be assured that the docks will be reconstructed by the time the \$10-million vessel is ready to be put in the water?

Hon. Mr. Fulton: I can assure the member for Essex South and those people in the area that the federal government has indicated, through its regional manager from the federal Department of Transport and personal discussions with the ministers, that there is a definite interest.

I cannot imagine the federal government of Canada backing off such a needed economic input to the region of southwestern Ontario and Pelee Island. With the tourism, economic development and the need for the agricultural component to be enhanced down there, I am sure they will see their role as an important one in supporting our initiative in providing that ferry service.

IDEA CORP.

Mr. Pope: My question is of the Premier. Let the record show there are 12 minutes left in question period for him to answer for his corrupt and scandal-ridden government.

Interjections.

Mr. Speaker: Order. Does the member have a question of the Attorney General (Mr. Scott)?

Mr. Pope: My question is of the Premier. We have now seen three scandals involving the Peterson government with respect to high-technology funds. We have seen three, and many more are still under investigation.

We want some explanation from the leader of this government, the Premier of our province, as to what is going on in all these court proceedings that have taken place in the last week and a half. Taxpayers' money is being thrown down the drain. He is responsible for it. His ministers will not talk about it. He will not account for it whatsoever.

We want to know. We now have Wyda, where we lost the entire \$3 million; we now have Exploracom, where he was willing to give away \$17.5 million to his friend, Abe Schwartz; and now we have Graham Software, with at least \$5 million. We want to know when he decided in cabinet to settle that \$5 million debt for \$300,000, and we want—

Mr. Speaker: Order. Would the honourable member take his seat? The question was asked.

Hon. Mr. Peterson: In response to the honourable member, let me tell him how much I enjoy his company, even if it is for only 12 minutes today. I am sorry his leader and the leader of the New Democratic Party are not here as well to share this final day in the House.

The member is inadvertently misrepresenting some of the chronology of the events he refers to, and I think his characterization of these things is a little excessive. He talks about wasting taxpayers' money and he does not mention in the same breath the \$1 billion his government lost on Suncor or the \$50 million it lost on Minaki Lodge. It goes on and on and on, if we want to look at these things.

He is not prepared to talk about his government's IDEA Corp. It was his government's arm's length board of directors. Very simply, it was not a cabinet decision; it was made by the Ontario Development Corp. It went in to salvage things his government had put in place years ago but never got to operate.

Our problem with IDEA Corp. is that it should have been axed immediately. It should never have been created and it should have been axed years ago. We are trying to fix up the messes the member and his close associates caused over there.

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Mr. Pope: My supplementary is to the Premier, who was the architect of the loans-for-Liberals program, where you had to be an Abe Schwartz, a Liberal member of the transition team, to get \$17.5 million; where you had to be the spouse of a cabinet minister to orchestrate a \$3-million loan; where you had to be the partner of Abe Schwartz to get \$5 million from the government. Their red ties are all the way through this. They have abused the public funds in IDEA Corp. for their own partisan advantage to reward their friends. The Liberal government is corrupt even by John Turner's standards.

When is the Premier going to account for that money? He should give all the documents to this Legislature right now and apologize to the people of Ontario for his corrupt—

Mr. Speaker: Order.

Hon. Mr. Peterson: I regret that the honourable member continues to perpetrate myths, things that are not factually correct, in this House. I guess he feels that by hooting and hollering he can eventually get people to believe his point of view, even though it is factually wrong. Perhaps the member had too much catnip at lunch—I have no idea—but he is factually incorrect. The government is there and ODC is there, trying to salvage a situation that was created under the rules of the member's party.

It is very clear what has been transpiring. All the facts have been shared with the standing committee on public accounts. It was discussed in estimates, I am told, this morning and on other days. If the member has any other information he would like to have, we are very happy to share it in its entirety with him.

Mr. Gillies: All we know about your government comes under our doors in brown envelopes. That is the only way we get anything on you.

Mr. Speaker: The member for Brantford, it is not your turn for a question.

RENT REVIEW

Mr. Reville: I have a question to the Minister of Housing. Listen to what the minister has been saying: "It is a delicate balance. If you tenants pay landlords more of your money, I will make your landlords maintain your buildings." The tenants are paying. Why is there no sign of his maintenance board?

Hon. Mr. Curling: What we have done in Bill 51 is to make provision for the maintenance board. That will be coming forward to be set up very shortly, within another month or so.

Mr. Reville: The response of the minister echoes the response that tenants get when they call their neighbourhood rent review offices. I quote: "We have no idea what is going on. It is pandemonium around here." What I want the minister to tell the House is whether his failure to manage the affairs of the Ministry of Housing is simple reluctance or simple incompetence.

Hon. Mr. Curling: One only has to look at what happened to housing in the past and to see what has happened in the past 18 months, when we have got landlords and tenants together. That could not be done in the past.

One only has to look at 1985, when only 6,000 nonprofit housing units were approved and see that, in 18 months, 27,000 units have been approved. The action speaks for itself. I do not intend to stand here and articulate and express what I have done. I just want the record to show what has been done. Am I in charge? The member is right that I am in charge and he can say that housing has come away up in 18 months since we have taken over.

HOUSING FOR THE DISABLED

Mr. G. I. Miller: I have a question for the Minister without Portfolio responsible for disabled persons.

Interjections.

Mr. Speaker: Order. We are certainly wasting more time than necessary.

Mr. G. I. Miller: The housing needs of disabled persons are critical. How long is it going to take to bring about the initiatives the minister has announced?

Hon. Mr. Ruprecht: I want to tell the member simply that some of the critical needs of disabled persons are going to be addressed almost immediately. I am speaking specifically about the \$1.7 million given to the Easter Seal Society, and within 30 days, people will be able to address those questions.

The convert-to-rent program and the low-rise rehabilitation program obviously are being sponsored through the Ministry of Housing and are going through that ministry. I would say that within three months people will be able to address that program.

Finally, there are the attendant care services that are being provided through the Ministry of Community and Social Services, and they too should be able to be provided within about 30 days.

Simply said, we are proud of the accomplishments of this government in this area.

TECHNOLOGY FUND

Mr. Stevenson: I have a question for the Premier about the Premier's loans-for-Liberals program. Did the unsigned contract between his government and his friend's company clearly state that no government funds would flow unless Exploracom raised matching funds from the private sector?

Hon. Mr. Peterson: I think my honourable friend, I say with respect, has missed the whole point. There was no contract.

Mr. Stevenson: The Premier has stated in this House, and so has the Treasurer (Mr. Nixon), that there was a contract but it had not been signed. If that agreement, or that draft contract, was in place, why did the Premier not let the company die of its own course and not put the provincial taxpayers in the situation of having to pay millions of dollars of liabilities?

Hon. Mr. Peterson: I have never pretended to be a very good lawyer, but to the best of my knowledge, an unsigned contract is not a contract, and I am sure the Attorney General (Mr. Scott) will corroborate that. I said I am not a very good lawyer, but I am probably a better lawyer than the member opposite.

There was no signed contract. The very clear understanding was, as has been stated to the member in this House and the information shared with him, there would be matching funds, and he knows about the operating problems in the long term. I think my friend is quite wrong in the assumptions he is making in this regard.

ONTARIO INSTITUTE FOR STUDIES IN EDUCATION

Mr. Allen: I have a question of the Premier in the matter of the relationship between the Ontario Institute for Studies in Education and the University of Toronto. I hope in his sense—if I do not malign him in the image he has in this House today—of reason, fairness and propriety, the Premier would find himself in agreement with the negotiated position between the two parties; namely, that any reform in that respect should embrace the concept of a self-governing integration between OISE and the faculty of education.

But lest he not pursue that course, might I ask him whether he is aware of the following two documents. The first is a letter from Professor George Reid, recently published. Professor Reid is a former business professor, a member of the committee that was involved in the integration of the Ontario College of Education some 20 years

ago into the university, and also a chairman of the faculty executive committee and—

Mr. Speaker: Order. I know it is a question, but there seem to be quite a number of parts to that question. Did that not complete the first question?

Mr. Allen: My question is whether he is aware of these two documents and whether he is prepared to face the implications of them. The first document is the letter of Professor George Reid, whom I was describing, in which he recounts the experience of the integration of the Ontario College of Education in words that describe how, with the integration, the budget of the faculty of education was systematically mined by the university, with severe restrictions imposed on every aspect of activity so that the faculty was unable to respond imaginatively to the education—

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Mr. Speaker: Order. Is the Premier aware of those words?

Hon. Mr. Peterson: I was not aware of those words until they were brought to my attention by the honourable member. The answer to his first question is no, I am not aware of those letters. As to the second, I have no idea what the implications are, but it is one of the joys of my job that I get to be held responsible for the implications of almost anything around here.

Mr. Laughren: On a point of privilege, Mr. Speaker: Your view is better than mine. Can you please tell me, is there a Tory back bench?

Mr. Speaker: That is not a point of privilege. Interjections.

Mr. Speaker: I have been considering recessing for the balance of the day.

Ms. Gigantes: On a point of order, Mr. Speaker: I would like your advice on a problem we have run into. The Minister of Health (Mr. Elston) knows of the interest of both opposition parties, expressed as recently as the day before yesterday, in knowing his decision about funding for the mobile health unit run by the Immigrant Women's Centre here in Toronto. We have just received word that he is not funding that health unit, but he has not done the courtesy to us who have asked for an answer on this matter of saying so in the House.

Can you advise us how we can get him to behave in a courteous way to members of the Legislature who are seeking this news?

Mr. Speaker: That is not a point of order. It is not up to the Speaker to inform any members

when they should attend the House, other than I hope at all times.

PETITIONS

AMBULANCE SERVICES

Mr. Jackson: The council of the corporation of the city of Burlington begs leave to petition the parliament of Ontario and the Minister of Health as follows:

"Due to the significant increase of code 4 or life-threatening calls, as well as the proliferation of code 8 or standby calls, the city of Burlington petition the provincial Ministry of Health to request at least one additional ambulance and staff as soon as possible for Burlington;

"And that the city of Burlington support the maintenance and reduction of response times by emergency services of seven minutes and consider anything in excess of this to be unacceptable;

"Furthermore, the emergency health services committee should monitor the response time of ambulance services in the communities of Halton;

"And that the Ministry of Health be asked to develop a regular review of the allocations of ambulances and ambulance personnel that includes criteria that accounts for population growth, calls for service, response times and the in-service time of vehicles."

That was approved by the council on February 9, 1987.

FREE TRADE

Mr. D. R. Cooke: I have a petition with 224 signatures on it from high school students aged 14 to 19, mostly in the Oshawa, Whitby, Ajax and Pickering area, who call themselves SHAFT, Students Horrified at Free Trade, petitioning to the effect that they feel that "implementation of free trade with the US" might impinge on their "social, economic, cultural and political futures." They ask us to take note of that fact.

TRANSIT SERVICES

Mr. Cousens: I present a petition signed by 433 commuters on the Markham-Stouffville commuter line, the GO Transit service. These people are petitioning the Lieutenant Governor in Council to improve and increase the GO train service on the Markham-Stouffville line. At present, the service is used to full capacity, despite the inflexibility of departure time associated with one run and lack of adequate parking. The petition reads as follows:

"We recommend that the following improvements to the present service to prepare for the increased ridership, which is an absolute certainty due to the explosive growth in recent and forthcoming years in these areas:

"The parking facilities at Markham and Unionville are deplorable. Parking tickets have been issued at Unionville Station as commuters are forced to park in no-parking areas. With only 25 parking spaces available, this has caused potential transit users to drive to work."

I present this petition with the hope that the Minister of Transportation and Communications (Mr. Fulton) will respond immediately to this urgent matter.

Mr. Speaker: Order. I ask any members who are having private conversations to keep them at a lower level.

REPORTS BY COMMITTEES

STANDING COMMITTEE ON GENERAL GOVERNMENT

Mr. McCague from the standing committee on general government reported the following resolutions:

That supply in the following amounts and to defray the expenses of the Ministry of Industry, Trade and Technology be granted to Her Majesty for the fiscal year ending March 31, 1987:

Ministry administration program, \$7,797,800; policy and technology program, \$32,111,900; industry program, \$103,629,400; trade program, \$23,468,500; Ontario development corporations program, \$24,939,600; and

That supply in the following supplementary amounts and to defray the expense of the ministry be granted to Her Majesty for the fiscal year ending March 31, 1987:

Trade program, \$4,120,000; Ontario development corporations program, \$5,334,000.

STANDING COMMITTEE ON FINANCE AND ECONOMIC AFFAIRS

Mr. D. R. Cooke from the standing committee on finance and economic affairs presented the following report and moved its adoption:

Mr. D. R. Cooke: On January 15, I reported to the House that the standing committee on finance and economic affairs had unanimously passed a resolution indicating its strong support for the inclusion of Toronto in any federal legislation to designate Canadian locations as tax exempt and partially exempt international banking centres.

We also indicated at that time that we would commence hearings into this issue, and we have

subsequently had hearings in which we have had as witnesses the Treasurer and Minister of Economics (Mr. Nixon), two of his assistant deputy ministers, the Minister of Financial Institutions (Mr. Kwinter), the chairman of the Ontario Securities Commission, an ad hoc committee on international banking centres of the Board of Trade of Metropolitan Toronto and a number of distinguished academics. We were unable to find anyone who supported the resolution, although we did watch a video of the presentation of the budget resolution by the federal Minister of Finance.

We have come to certain conclusions. Our conclusions are in two parts. First, the resolution should not take place and, in fact, there should not be any federal legislation of this sort whatsoever.

The second part of our resolution is that if it is the case that federal legislation takes place in any event, the Treasurer and the Minister of Financial Institutions should enter immediately into discussions with the federal Minister of Finance so that all Canadian municipalities would benefit equally from the international banking centre designation.

There is a dissent by the New Democratic members of the committee to the effect that the first part of the resolution alone is pertinent to this Legislature.

On motion by Mr. D. R. Cooke, the debate was adjourned.

STANDING COMMITTEE ON GOVERNMENT AGENCIES

Mr. Gregory from the standing committee on government agencies presented the following report and moved its adoption:

Mr. Gregory: As members know, the provisional standing orders adopted by the House on April 8, 1986, established a new committee, the standing committee on government agencies, to deal with the review of agencies, boards and commissions of the government of Ontario.

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I have the pleasure today to table the committee's first report, which represents the culmination of the committee's work during the autumn of 1986, when the committee held public hearings and discussed issues of concern with the representatives of the Ontario Advisory Council on Multiculturalism and Citizenship, the Ontario Arts Council, the Ontario development corporations, the Ontario Land Corp., and the Ontario Lottery Corp. After the close of the hearings, the committee developed a number of recommenda-

tions directed at each of the agencies and, in some cases, the government itself.

I would like briefly to highlight some of the more significant recommendations. With respect to the advisory council on multiculturalism and citizenship, the committee recommended that funding and staffing for the council be increased, that the council receive a separate vote and item in the estimates of the Ministry of Citizenship and Culture, that the council's arm's-length relationship with the ministry be strengthened, that the presidency be made a full-time position and that the ministry develop a quicker method of responding to the council's recommendations. Perhaps most important, the committee calls on the government of Ontario to set out in legislation the meaning of multiculturalism in Ontario.

The major recommendation with respect to the Ontario Arts Council asked that if Bill 38 is passed, the arts council and the arts community continue to receive lottery funds on the same basis as in the past. I understand there is some change in that status now.

In reviewing the Ontario development corporations, the committee saw a need to streamline the corporations' internal procedures in order that the corporations could better serve their customers. Thus the committee recommended that the corporations seek ways to amalgamate loans taken out over a number of years. As well, the committee recommended that the corporations introduce state-of-the-art information systems to improve efficiency in their operations. The committee also recommended that the corporations explicitly set out in their annual report the amounts written off each year and that the corporations set a target of one per cent for written-off loans, except for northern and eastern Ontario.

The committee had a number of recommendations dealing with the Ontario Land Corp. The committee expressed some concern with respect to how the corporation will sell the land it has acquired. The committee wants to ensure that large blocks of land are not sold in any given area, so as not to upset local real estate markets and that there be antiflip clauses in all sales contracts.

Moreover, the committee wants the corporation to consult with local municipalities when a sale is contemplated in order to give the municipality a first right of refusal, and the Ministry of Government Services to continue the policy of paying full grants in lieu of taxes when it takes over the land corporation property this spring. To prevent any misunderstanding, the

committee recommended that the recommendations directed at the land corporation should be taken up by the Ministry of Government Services when it takes over responsibility for the corporation's properties.

Finally, with respect to the Ontario Lottery Corp., the committee recommended that the corporation continue its efforts, supported by the Ministry of Tourism and Recreation, to establish a cap on the Lotto 6/49 grand prize. The committee also recommended that the Treasurer (Mr. Nixon) continue to provide lottery funds for the promotion and development of physical fitness, sports and recreational and cultural activities and facilities.

Another recommendation was to have the corporation accelerate its computerized sale facilities, particularly in small communities. Finally, the committee asks that when the corporation moves to Sault Ste. Marie, it deal fairly with employees who do not wish to move.

These then are the highlights of the committee's report, which I remind the House was agreed to by all members of the committee. In other words, it was a consensus report.

To conclude, during the committee's next set of hearings, in March, it will review the operations of the Agricultural Council of Ontario, the Liquor Control Board of Ontario, the Ontario Northland Transportation Commission and the Pesticides Advisory Committee.

In accordance with the request of the committee, and pursuant to standing order 32(d), I request that the government table a comprehensive response to the recommendations contained in our report.

On motion by Mr. Gregory, the debate was adjourned.

STANDING COMMITTEE ON PUBLIC ACCOUNTS

Mr. Runciman from the standing committee on public accounts presented the committee's report and moved its adoption.

Mr. Runciman: Since this is our first report in two years, I think a few brief comments would be appropriate. I want to begin by thanking the staff of the standing committee for their hard work and dedication in assisting the committee to carry out its functions. The committee was well served by its researcher, Helen Burstyn Fritz, from the legislative library research service, and by the clerk of the committee, Doug Arnott.

The committee would also like to express its gratitude to the Provincial Auditor, Douglas Archer, and his staff for their co-operation with

and assistance to the committee. Finally, the committee would like to take this opportunity to thank the numerous witnesses who appeared before and co-operated with the committee.

This report records the activities, comments and conclusions of the standing committee on public accounts during the two-year period commencing January 1985 and ending December 1986. The committee reviewed 15 sections of the 1984 and 1985 annual reports of the Provincial Auditor. The committee also conducted many special reviews.

Included among these were reviews of the financing of the domed stadium, the Urban Transportation Development Corp., IDEA Corp. and the retirement settlement package given to the former Clerk of the Legislative Assembly. Perhaps the most prominent of the reviews was the committee's investigation into the allegation of conflict of interest concerning the member for Oriole (Ms. Caplan).

In accordance with the request of the committee and pursuant to standing order 32(d), I request that the government table a comprehensive response to the recommendations contained in our report.

On motion by Mr. Runciman, the debate was adjourned.

STANDING COMMITTEE ON RESOURCES DEVELOPMENT

Mr. Laughren from the standing committee on resources development reported the following resolutions:

That supply in the following amounts and to defray the expenses of the Ministry of Northern Development and Mines be granted to Her Majesty for the fiscal year ending March 31, 1987:

Ministry administration program, \$3,840,500; northern development program, \$47,035,900; northern transportation program, \$84,899,200; mines and minerals program, \$21,305,800; and

That supply in the following supplementary amounts and to defray the expenses of the ministry be granted to Her Majesty for the fiscal year ending March 31, 1987:

Northern transportation program, \$1,500,000; mines and minerals program, \$4,110,000; and

That supply in the following further supplementary amount be granted to Her Majesty for the fiscal year ending March 31, 1987:

Mines and minerals program, \$4,000,000; and

That supply in the following further supplementary amounts be granted to Her Majesty for the fiscal year ending March 31, 1987:

Northern development program, \$13,559,000; mines and minerals program, \$4,000,000.

STANDING COMMITTEE ON RESOURCES DEVELOPMENT

Mr. Laughren from the standing committee on resources development presented the following report and moved its adoption:

Your committee begs to report the following bill without amendment:

Bill 115, An Act to amend the Ontario Lottery Corporation Act.

Motion agreed to.

Bill ordered for third reading.

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INTRODUCTION OF BILLS

EMPLOYEE SHARE OWNERSHIP PLAN ACT

Hon. Mr. Nixon moved first reading of Bill 210, An Act to provide an Incentive to Ontario Employees of Small and Medium Sized Corporations to Purchase Newly Issued Shares of their Employer Corporation.

Motion agreed to.

PUBLIC TRANSPORTATION AND HIGHWAY IMPROVEMENT AMENDMENT ACT

Hon. Mr. Fulton moved first reading of Bill 211, An Act to amend the Public Transportation and Highway Improvement Act.

Motion agreed to.

Hon. Mr. Fulton: In keeping with this government's commitment to helping Ontario municipalities provide a safe and efficient road network, I would like to introduce three amendments to the Public Transportation and Highway Improvement Act.

The first amendment will encourage diversification of economic development and thereby enhance job creation opportunities throughout the province by extending eligibility for development road aid to towns and villages in southern Ontario. Previously, this type of financial assistance was available to all townships and the towns and villages in the territorial district of northern Ontario. By broadening the eligibility for this funding, the government will be able to assist smaller urban municipalities in southern Ontario to develop a road infrastructure that will be more attractive to industrial, commercial and tourist enterprises.

The second amendment being proposed under this act will give counties the legislative power to regulate the construction and alteration of any entrance that permits access to a county road. This will allow counties to address the problem of entrances being placed at inappropriate or unsafe locations. I would like to commend the member for Middlesex (Mr. Reycraft) for his work in bringing about this amendment.

The third and final amendment will permit county councils to determine the composition and qualifications of their road committees, along with the amount of authority to be vested in these committees, whose membership will now be extended to a maximum of 10.

I also commend Brant county for bringing forward its concerns resulting in these amendments.

This proposal, put forward in the form of a resolution by the Association of Municipalities of Ontario, is an example of this government's trend towards placing more decision-making power in the hands of local officials. We are committed to instituting changes that will provide Ontario municipalities with greater autonomy and flexibility as well as the financial assistance they require to keep their transportation networks functioning at peak levels of efficiency.

GAME AND FISH AMENDMENT ACT

Mr. Bernier moved first reading of Bill 212, An Act to amend the Game and Fish Act.

Motion agreed to.

Mr. Bernier: The purpose of this bill is twofold. First, it would enshrine in legislation the establishment of a publicly appointed fish advisory council. The council would have the power to advise the ministry in its fish management program and would oversee the development and administration of an enhanced fish management program. This follows the statement made by the minister that most of the funds raised through the sale of a new resident fishing licence would be used for such a program. This amendment will guarantee to the anglers of Ontario that these new funds, expected to total about \$10 million a year, will indeed be spent on fish management.

Second, it will provide for a system of permanent identification numbers for resident hunters by requiring residents to obtain a resident number card before being issued a licence under the Game and Fish Act. It will put into force the following requirements: (1) to provide hunter identification and proof that licensed applicants

meet licensing requirements; (2) to reduce the cost of key entry services for all computerized data systems that incorporate hunter identification; (3) to provide a complete, up-to-date mailing list of all licensed hunters for annual harvest surveys; (4) to provide a key link between data systems relating to hunter effort and harvest, and (5) to provide enforcement staff with licensing information on individual sportsmen.

PUBLIC OPINION POLL

Hon. Mr. Nixon: Before the orders, I would like to table a poll commissioned by the government of Ontario on issues affecting women.

OPENING OF THIRD SESSION

Hon. Mr. Nixon: I would also like to announce that if the House prorogues today or at some time in the near future, it will return on April 28 or thereabouts, God willing. It is our intention to advise His Honour to summon the return of the House then.

Mr. Bernier: No excitement in between? There is plenty of time.

Hon. Mr. Nixon: Maybe.

RESOLUTIONS

Hon. Mr. Nixon: Also, on a point of order, Mr. Speaker: I am sure you are aware, having perused Orders and Notices, that there are some prolix resolutions, which I would prefer not to have to read. I draw to your attention that copies of the resolutions are in the hands of all members. For that reason, I would like to deal with them simply as they are written here. Nevertheless, I am totally in your hands in this important matter.

Mr. Speaker: As all members have received a printed copy, I am sure there would be agreement by all members.

Agreed to.

ORDERS OF THE DAY

PRIVATE MEMBERS' PUBLIC BUSINESS

Hon. Mr. Nixon moved resolution 14:

That, notwithstanding the prorogation of the House and standing order 71(d), the order of precedence for private members' public business existing at the time of prorogation be continued in the third session of this Parliament.

Motion agreed to.

ESTIMATES AND SUPPLEMENTARY ESTIMATES

Hon. Mr. Nixon moved resolution 15:

That the 1986-87 estimates and supplementary estimates which have not yet been passed by the committees and reported to the House be deemed to be passed and reported to the House, and that the 1986-87 estimates and supplementary estimates which have not yet been concurred in be deemed to be concurred in.

Mr. Mitchell: I will be extremely brief. I am pleased the Minister of Health (Mr. Elston) is in his seat today. We went through the concurrences yesterday in a very great hurry. No one really had the opportunity to raise a couple of issues which I think are important, and I wish to put them on the table right now.

The Minister of Health has been in possession of the Ottawa District Health Council report of October 30 for some time. I am not aware whether there has been any acknowledgement of the need for beds, although he did endorse the Vision 2001 report done by the district health council. I am not sure, though, having endorsed it, where his recommendations are going to be. With the \$900 million or \$1 billion the Treasurer has, I would hope the Minister of Health will soon be able to answer the need for the chronic care and acute care beds in the Ottawa-Carleton region.

In any event, those are important steps that, in my opinion, have not been addressed, and I would hope there would be an early acknowledgement of the need for the facilities in Ottawa-Carleton and that we would see them in the very near future.

There is one final question of the Minister of Health that has not been addressed, and it is an issue I had a very direct involvement in; that is, the Thomson study on environmentally sensitive people. I would like to know when the minister intends to act to provide the much-needed facilities and assistance towards the costs of medication and food for those people suffering from environmental disorders.

Motion agreed to.

STATUS OF BUSINESS

Hon. Mr. Nixon moved resolution 16:

That, notwithstanding the prorogation of the House,

(i) all government orders with respect to committee reports;

(ii) all government and private members' bills referred to standing committees;

(iii) the following private members' bills referred to committee of the whole House: Bill 16, An Act to amend the Municipal Act; Bill 21, An Act to amend the Animals for Research Act;

Bill 46, An Act to amend the Ontario Institute for Studies in Education Act; Bill 191, An act to amend the Human Tissue Gift Act, and Bill 133, An Act to amend the Liquor Control Act;

(iv) the following private bills referred to the standing committee on regulations and private bills: Bill Pr20, An Act respecting the Town of Lindsay; Bill Pr39, An Act respecting Canadian Opera Company; Bill Pr54, An Act to revive the Toronto Ski Club, and Bill Pr57, An Act respecting the City of Toronto;

(v) all matters referred to standing committees except the annual report of the Ministry of Labour for the fiscal year 1984-85 and the annual financial report of the governing council of the University of Toronto for the year ending April 30, 1985;

(vi) Bill 71, An Act to protect the Public Health and Comfort and the Environment by Prohibiting and Controlling Smoking in Public Places; and

(vii) Bill 142, An Act to amend the Ontario Energy Board Act; remaining on the Orders and Notices paper at the prorogation of the second session of this Parliament be continued and placed on the Orders and Notices paper on the second sessional day of the third session of the 33rd Parliament at the same stage of business for the House and its committees as at prorogation.

Hon. Mr. Nixon moved that the resolution be amended by adding thereto the following clause:

“(viii) Bill 115, An Act to amend the Ontario Lottery Corporation Act;” and

That the motion be further amended by inserting after the words “Liquor Control Act” in the sixth line of clause (iii), “Bill 188, An Act to amend the Retail Business Holidays Act.”

Hon. Mr. Nixon: I am sure you are aware, Mr. Speaker, that this will include, in the carryover on the Orders and Notices to the new session, the two bills that have been reported by committee today.

Motion, as amended, agreed to.

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COMMITTEE SITTINGS

Hon. Mr. Nixon moved resolution 17:

That the following committees be continued and authorized to meet during the recess between the second and the third sessions of the 33rd Parliament, in accordance with the schedule of meeting dates agreed to by the three party whips and tabled with the Clerk of the assembly, to examine and inquire into the following matters:

Select committee on the environment to consider bilateral environmental issues as they affect Ontario.

Select committee on health to consider the commercial for-profit sector of health and social services in the province.

Select committee on retail store hours to consider Sunday shopping and retail store business hours.

Standing committee on administration of justice to consider Bill 154, An Act to provide for Pay Equity in the Broader Public Sector and in the Private Sector/Projet de loi 154, Loi portant établissement de l'équité salariale dans le secteur parapublic et dans le secteur privé.

Standing committee on finance and economic affairs to consider the fiscal and economic policies (budget review) of the province, and to consider Bill 116, An Act to revise the Loan and Trust Corporations Act/Projet de loi 116, Loi portant révision de la Loi sur les compagnies de prêt et de fiducie.

Standing committee on general government to consider the School Boards and Teachers Collective Negotiations Act, RSO 1980, c. 464, and to consider Bill 170, An Act to revise the Pension Benefits Act.

Standing committee on government agencies to consider the operation of agencies, boards and commissions of the government of Ontario.

Standing committee on the Legislative Assembly to consider Bill 34, An Act to provide for Freedom of Information and Protection of Individual Privacy, to consider the matter of the attempted service on the member for Brantford during the proceedings of the standing committee on public accounts on Thursday, January 22, 1987, to consider matters related to the procedures, administration, and services and facilities of the House, and to consider the matter of abusive and harassing telephone calls received by the chairman of the standing committee on resources development studying Bill 115, An Act to amend the Ontario Lottery Corporation Act.

The assembly doth command and compel attendance before the said committee of such persons and the production of such papers and things as the committee may deem necessary for any of its proceedings and deliberations, for which the Speaker may issue his warrant pursuant to section 35(2) of the Legislative Assembly Act.

The committee shall have the authority to adjourn from place to place in North America.

Standing committee on the Ombudsman to consider the report of the Ombudsman's opinion, reasons therefor and recommendations following his investigation into the complaints concerning Argosy Financial Group of Canada.

Standing committee on public accounts to consider the investment by the Ontario Development Corp., and the report of the Provincial Auditor on courthouses (management of government property).

The assembly doth command and compel attendance before the said committee of such persons and the production of such papers and things as the committee may deem necessary for any of its proceedings and deliberations, for which the Speaker may issue his warrant pursuant to section 35(2) of the Legislative Assembly Act.

Standing committee on resources development to consider the circumstances of the announced closure of the Goodyear tire manufacturing plant and the various closures of other manufacturing facilities, particularly in northern Ontario, and to consider the Workers' Compensation Board annual report 1985-86.

Standing committee on social development to consider Bill 52, An Act to amend the Health Protection and Promotion Act, 1983, Bill 176, An Act to amend the Nursing Homes Act, and Bill 177, An Act to amend the Health Facilities Special Orders Act.

Hon. Mr. Nixon moved that the motion be amended by adding to the end of the section on the standing committee on finance and economic affairs, "The committee shall have the authority to travel to Washington, DC."

Motion, as amended, agreed to.

COMMITTEE REPORTS

Hon. Mr. Nixon moved resolution 18:

That standing and select committees be authorized to release their reports during the recess between the second and third sessions of this parliament by depositing a copy of any report with the Clerk of the assembly, and on the second sessional day of the third session of the 33rd Parliament the chairmen of such committees shall bring any such reports before the House in accordance with the standing orders.

Motion agreed to.

COMMITTEE MEMBERSHIP

Hon. Mr. Nixon moved resolution 19:

That the membership on the standing and select committees for the recess between the

second and third sessions of the 33rd Parliament be as follows:

Select committee on the environment: Messrs. Charlton, Eves, Ms. Fish, Mrs. Grier, Messrs. Henderson, Knight, Mrs. Marland, Messrs. G. I. Miller, Partington, Poirier, South.

Select committee on health: Messrs. Callahan, D. S. Cooke, Cordiano, Ms. Hart, Messrs. Henderson, R. F. Johnston, Reycraft, Miss Stephenson, Mr. Turner.

Select committee on retail store hours: Messrs. Barlow, Bernier, Guindon, Morin, O'Connor, Philip, Reville, Sargent, Shymko, D. W. Smith and Mrs. E. J. Smith.

Standing committee on administration of justice: Mr. Brandt, Mrs. Caplan, Mr. Charlton, Ms. Fish, Ms. Gigantes, Messrs. Knight, O'Connor, Partington, Polsinelli, Rowe, Ward.

Standing committee on finance and economic affairs: Messrs. Ashe, D. R. Cooke, Epp, Ferraro, Foulds, Haggerty, McFadden, Morin-Strom, Ramsay, Miss Stephenson, Mr. Taylor.

Standing committee on general government: Messrs. Fontaine, Grande, Guindon, Lane, Lupusella, McCague, McClellan, McKessock, Offer, Pollock, Sheppard.

Standing committee on government agencies: Messrs. D. R. Cooke, Epp, Gregory, Hayes, J. M. Johnson, Leluk, Mancini, Mrs. Marland, Messrs. Mitchell, D. W. Smith, Swart.

Standing committee on the Legislative Assembly: Messrs. Bossy, Breaugh, Mancini, Martel, Morin, Newman, Sterling, Treleaven, Turner, Villeneuve, Warner.

Standing committee on the Ombudsman: Messrs. Bossy, Hayes, Hennessy, Mancini, McLean, McNeil, Morin, Newman, Philip, Sheppard, Shymko.

Standing committee on public accounts: Messrs. Barlow, Davis, Epp, Gillies, Philip, Pope, Runciman, Sargent, D. W. Smith, South, Wildman.

Standing committee on resources development: Messrs. Bernier, Gordon, Laughren, Mackenzie, McGuigan, McKessock, Offer, Pierce, Mrs. E. J. Smith, Messrs. Stevenson, Wildman.

Standing committee on social development: Messrs. Allen, Andrewes, Baetz, Callahan, D. R. Cooke, Cordiano, Cousens, Ms. Hart, Messrs. Jackson, R. F. Johnston, Reycraft.

Motion agreed to.

COMMITTEE SITTINGS

Hon. Mr. Nixon moved resolution 20:

That, with the agreement of the House leaders and whips of each party, committees may meet during the recess between the second and third sessions of this parliament at times other than those specified in the schedule tabled with the Clerk of the assembly.

Motion agreed to.

THIRD READINGS

The following bills were given third reading on motion:

Bill 178, An Act to amend the County of Oxford Act;

Bill 179, An Act to amend the Municipal Act and certain other Acts related to Municipalities.

Bill 197, An Act to amend the Architects Act.

CITY OF KITCHENER ACT

Mr. McNeil moved second reading of Bill Pr44, An Act respecting the High Street Recreation Complex of St. Thomas and Elgin.

Motion agreed to.

Third reading also agreed to on motion.

CITY OF TORONTO ACT

Mr. Offer moved second reading of Bill Pr53, An Act respecting the City of Toronto.

Motion agreed to.

Third reading also agreed to on motion.

MIGRAINE FOUNDATION ACT

Mr. Andrewes moved, on behalf of Mr. Grossman, second reading of Bill Pr61, An Act to revive The Migraine Foundation.

Motion agreed to.

Third reading also agreed to on motion.

CITY OF MISSISSAUGA ACT

Mr. Offer moved second reading of Bill Pr66, An Act respecting the City of Mississauga.

Motion agreed to.

Third reading also agreed to on motion.

BUDGET DEBATE

(continued)

Resuming the adjourned debate on the motion that this House approves in general the budgetary policy of the government.

Mr. McClellan: The last time I gave a windup to one of the debates was the windup on the motion of no confidence that led to the fall of the previous government in June 1985; so there is a certain symmetry in my doing the windup on behalf of the New Democratic Party as we finish

the second session of this parliament and as we get to the end of the term of agreement between the New Democratic Party and the Liberal Party of Ontario.

I want to talk for a few minutes about what has happened to the government of the Liberal Party of Ontario over the course of the last 19 months, because an interesting transformation has certainly taken place. Even the dispassionate observers in the Queen's Park press gallery have noticed a little bit of fraying around the edges, a certain amount of slippage in élan and possibly as well in self-confidence, and certainly in presentation and certainly in perception.

I think it is fair and not excessively partisan to say that this government is running out of steam, is sputtering, is spinning its wheels and is, as one of our previous leaders might have said, bereft of substance. The trick of the Liberal Party of Ontario has always been historically to campaign on the left as the party of social reform but to govern on the right as the party of vested interests, of business interests, and to be as identically conservative, if not as reactionary, as the Progressive Conservative Party of Ontario and Canada. Nothing has changed.

1540

The Liberal Party of Ontario campaigned in 1985 as the party of social reform, and for a brief period of time following the signing of the accord in May 1985, some of the promise of reform was actually being implemented. In those early days—

Hon. Mr. Ruprecht: Who wrote that speech for you?

Mr. McClellan: I do not have a speech. I do not speak from texts the way the Liberals do, now that their puppets of the bureaucracy write their speeches for them. I am speaking about my own experience here over the past 19 months. After the early successes—I would say the proclamation of the spills bill, the enactment of a first-contract law, the establishment of a new housing program after seven lean years without even a Ministry of Housing, and I think most successfully, the ban on extra billing—after some of the initial reforms of the early days in 1985, it has become increasingly clear that the government of the Premier (Mr. Peterson) does not have an agenda of its own and does not have a commitment to the kind of social reform that it talked about during the election campaign of 1985. As we get closer and closer to the end of the two-year accord period, it is increasingly obvious that the gulf between the promises and the performance is wider and wider with each passing day.

Hon. Mr. Elston: Wyda?

Mr. McClellan: I did not say “Wyda”; I said “wider.”

The government is seen to be in some trouble. I do not myself think it is for the reasons that my colleagues in the Conservative Party have been putting forward. I think the government is in trouble precisely because there is a perceived gap between the promise of reform and the failure to deliver; between the traditional campaign as the champion of ordinary working people and its traditional performance as the representative of vested interests of the business community, of élites across this province, which has time and again paralysed it and led to a gap between what it said it would do and what it in fact was able to accomplish.

There is an article in today's *Globe and Mail* that attempts to put forward at least one explanation for some of the difficulties that the Premier has found himself in lately, and it was written by Mr. French. It says: “Of all the reasons advanced for an” early “Ontario election...the most compelling...is one offered by Premier David Peterson himself. He needs more bodies.” It does not say “cadavers” but it does say “bodies.”

I do not believe for a moment that the reason this government is in trouble is the inadequacy of the Liberal caucus; I do not believe that for a moment. I do not believe that out of 51 Liberals, there are only four real front-bench members. I do not believe that out of a pool of 51 Ontario Liberals, it is not possible to put together a front bench that has depth or even to replace cabinet ministers who, for various reasons, have had to resign or even retire.

I find it incomprehensible that the Premier himself would say that he is incapable of governing with the kind of people who were elected in 1985; that there is not a single person in the third row who could be moved into the cabinet; that there is not a single person in the second row who could be brought down on to the front bench. I do not believe that is true. Even though the Premier said it himself, I do not believe it.

I think there are other reasons the government is in trouble, and they have nothing to do with the incompetence ascribed to the back-bench members of the Liberal caucus by the Premier himself. They have to do with much more basic issues.

First, this government has taken office with a rather unique approach to the public service: it kept everybody on from the deputy minister level

on down. It promised social reform, but at the same time it failed and refused to renew the public service of Ontario. It kept the same people, the same deputy ministers, the same managers and the same policymakers who had grown up with the Conservative government over the previous 42 years.

If there is any mystery to the problems the Minister of the Environment (Mr. Bradley), the Minister of Health (Mr. Elston) or the Minister of Labour (Mr. Wrye) have found themselves in, it is first to be explained by the fact that those ministers, while promising social reform, have been saddled with public servants who are left over or recycled from the previous regime and in some cases have systematically torpedoed the efforts of ministers to bring about change, to bring about new directions and to solve some of the problems they, as public servants, were responsible for creating in the first place.

I mentioned the Minister of Health. The minister knows to which illustrious servant of the member for St. Andrew-St. Patrick (Mr. Grossman), the member for Don Mills (Mr. Timbrell), the member for Muskoka (Mr. F. S. Miller) et al I refer.

The Minister of the Environment has spent the last two days trying to discover why his officials, without his knowledge, were issuing control orders in Cornwall and a number of other communities. The Minister of the Environment has been knee-capped, cut off at the knees by the Premier himself and taken off the Kimberly-Clark case in favour of a recycled Tory deputy minister and a recycled Conservative secretary of the Ontario cabinet.

Mr. Harris: Not Tory.

Mr. Shymko: Who is the recycled deputy minister? Name names.

Mr. McClellan: Some members are objecting to my line of argument, but I think it is self-evident that the efforts of the Minister of the Environment to fulfil the promises set out in the accord of 1985 have been systematically torpedoed by the Premier through the imposition of civil servants in the ministry who are adamantly opposed to the direction of reform and who are opposed to vigorous antipollution, environmental protection laws and vigorous environmental-protection enforcement. That is simply a matter of fact.

The Minister of Labour, of course, is *sui generis*. The Ministry of Labour is a broken ministry, and the minister has been completely destroyed by the unfortunate accident of having been appointed to that post. One deputy minister

has left already, but each and every promise the government made to the people of Ontario which has been the responsibility of the Minister of Labour has been broken. He has not fulfilled a single commitment. His ministry is in a state of tatters and shambles. It is worse, by far, than it was when the government changed in 1985. It needs to be cleaned up root and branch, and everybody knows that. Everybody knows that on this side and on that side of the House. There needs to be a new Minister of Labour and a fundamental reform of the Ministry of Labour. Every day that is delayed or postponed puts workers in this province at risk. It is as simple as that.

1550

Another reason for some of the problems the government has found itself in go back to the first point I made, that the Liberal Party is still, after all, the Liberal Party. I say to my Conservative friends, one of the reasons we thought the accord would be a good idea was simply this—I put the question to them as we put it to ourselves at the time: “Have you ever seen a Liberal with a fixed idea? Have you ever seen a Liberal who knew what he or she wanted to do? Have you ever seen a Liberal who made a commitment to a political idea or a political program and stuck to it, starting with Mackenzie King, who championed medicare in 1905 and was buried before it was brought in?”

Mr. Shymko: On a point of order, Mr. Speaker: The Liberal Party for some reason has attracted two former New Democratic Party members; so there is still hope, apparently, for some change—

The Deputy Speaker: That is not a point of order.

Mr. Shymko: —or else a dilemma as to why they seem to attract former members of the NDP.

The Deputy Speaker: Order.

Mr. McClellan: The Liberal Party had the opportunity, in case there are some who doubt the veracity or the validity of my second argument, to set out its own independent vision of political life in Ontario when it brought in its own throne speech last year. But what happened? What was in that throne speech last year? High-tech; “Beam me up, Scotty”; the new world of Liberal high-technology. What has come out of that? We saw in question period again this afternoon what has come out of that.

Mr. R. F. Johnston: Scotty has been beamed up and out.

Mr. McClellan: Scotty has been beamed up and out, as my colleague says. Exploracom, Wyda and other problems have turned their big high-tech focal point into the laughingstock of Canadian politics; not a single idea of their own, not a single independent reform initiative out of the last throne speech.

Then we get to the budget itself, which is the subject of today's debate. There is nothing really to criticize in the budget itself because it was a do-nothing budget. "Spending a lot of money," the Treasurer (Mr. Nixon) said. "Reaping a lot of money," the Treasurer should say. I have been here since 1975, and there has never been a year since I was in the House, and I am sure even since my colleague the member for Nickel Belt (Mr. Laughren) was in the House—

Mr. Laughren: Some say even longer.

Mr. McClellan: Even longer, says my elderly colleague the member for Nickel Belt—elder statesman, I meant to say. There has never been such a period of economic boom since the 1960s in parts of Ontario—I want to stress "in parts of Ontario"—and certainly not since the oil crisis of 1974 has our economy in parts of southern Ontario been in stronger shape. That is reflected in the windfall profits the government has inherited of just short of \$1 billion in unanticipated revenue, which have been reported in the third quarterly statement by the Treasurer.

There is \$1 billion in unexpected windfall revenues sitting in the Treasurer's larder being hoarded against the day when the writs are issued and the election is called. In my memory, there has not been a period when a government of this province has ever had that kind of unexpected, unanticipated and, I might add, unearned windfall of an additional \$1 billion in revenue. It is because of what has happened in the economy.

The two foundations that have fuelled the economic recovery in parts of Ontario are the boom in residential construction and construction generally and the boom in the auto industry and the auto parts industry. Both of those are as fragile as eggshells. Both of those foundations upon which the present prosperity for the Treasurer rest are as fragile as an egg. This bubble could burst at any time.

The government has not brought in economic programs or policies that would show us where it intends to take us in rebuilding the economy of Ontario. All we have had is the flim-flam of the high-tech, science fiction movie that broke in the middle of the first reel. We have no direction, no sense of anything other than the reaping of a

harvest of bounty that was unearned and unanticipated.

While this is happening, there is the other Ontario that many of my colleagues represent: northern Ontario, which has not shared in the recovery and which is still foundering in the kind of depression that those of us in Metropolitan Toronto cannot even begin to understand and mercifully have never experienced. Communities are being threatened and decimated. We have double-digit unemployment in many parts of this province. They have not shared a single drop of the prosperity that has come to places such as my own community of Metropolitan Toronto over the course of the last year and a half.

What has the government done for the other Ontario that has been abandoned and left behind? They have done precisely that: They have abandoned and left behind the other Ontario—northern, eastern and parts of central Ontario. There are no programs in the budget for these regions, nothing but flim-flam Liberal hucksterism, conferences, consultants, the usual range of Liberal wizardry that we got so used to and so sick of when they were in power in Ottawa. There is no sign yet after almost two full years of any change, any new ideas, any commitment to the kind of public intervention that is required to rebuild the economies of northern Ontario and other abandoned economic regions.

This is at a time when they are sitting on a windfall of \$1 billion, when they have the capacity to set up economic development funds and to support the kinds of public and private investment initiatives that could bring a measure of hope to communities across the north. Instead, they are putting it into the war chest. They are hoarding it, keeping it for the day when the writs are issued. It will be frittered and splashed away like so many glasses of champagne poured over the heads of people all across the province. The Treasurer will be out there dancing and throwing money around for 37 days. It will be a grotesque spectacle; I have no doubt about it.

In the meantime, there are all the promises they made and failed to keep. They sit with \$1 billion and refuse to put a dime into the subsidization of nonprofit day care centres. They sit with \$1 billion and refuse to put an extra dime into the construction of affordable rental accommodation for the tens of thousands of people in this province who are poorly housed, let alone for those who this winter have been dying on our streets in our major cities. They sit with \$1 billion and have done nothing to fulfil their promises to replace our reliance on institutional care of the

elderly with a co-ordinated, community-based home care and home support system that actually works.

1600

I have made a dozen speeches on this subject since 1975. The problem is still the same. We have a Ministry of Health and a Ministry of Community and Social Services that are running parallel systems, duplicating nursing homes and home-based services. Neither will budge. Neither will give up an inch of its territory. The old government could not make it happen and the new government cannot make it happen. They have a Minister without Portfolio responsible for senior citizens' affairs (Mr. Van Horne) who studies the question and issues learned texts. Meanwhile, the two bully boys, Health and Community and Social Services, jealously guard their territorial turf and nothing changes.

The new system the minister has set up is a joke. It will unravel as surely and as quickly as any system administered by two, separate, independent, autonomous and unco-ordinated bureaucracies can make it unravel.

Mr. Laughren: The minister knows that.

Mr. McClellan: Everybody knows that, especially the Minister without Portfolio responsible for senior citizens' services, who was cut off at the knees before he even moved into his office.

They are sitting on \$1 billion and they have done nothing to reform the training and education of our young people. It has been a quarter of a century since this province overhauled or even attempted to look seriously at the fundamentals of our educational system, a quarter of a century since some of us were in high school ourselves. Twenty-five years down the road, we still have a system that is geared to provide graduate and post-graduate education to the children of the upper middle class and to do nothing about providing basic job skills training to ordinary working people and their children.

We have a community college system that cannot accommodate all those who wish to enrol and study. We still rely on European apprenticeship and training programs to provide people with the basic skills that are necessary to make our society work. We do not even have a decent apprenticeship program in this province. Now, in the middle of a residential construction boom, we are desperate. Once again, we have to go overseas and import bricklayers, pipefitters, electricians, drywallers—all the skilled building trades workers we have failed systematically to train ourselves from among our own children.

The government is still sitting on \$1 billion waiting to splash it into people's faces during the election campaign.

Finally—not finally; a number of other items need to be gone through in this litany of unfulfilled promises. The accord promised reforms in occupational health and safety. When I spoke in June 1985, I reviewed the record of the previous government, which promised to designate toxic substances. As of June 1985, instead of designating the 60 substances it had promised to designate, it had done six. As I stand here a year and nine months later and ask about the record of the new government, it has increased the designation of toxic and hazardous substances in the work place from six to 11.

When I say the Ministry of Labour is a broken ministry, that is the kind of thing I am talking about. It is incapable of doing the job that I think even members of the cabinet had anticipated it could do. I say to those who are listening that if they cannot designate toxic and hazardous substances in our factories, mines, forests and construction sites, they damned well do not deserve a majority, and I do not think they will get it.

I am not afraid of facing the people on the basis of what has happened over the last 19 months, because the gap between what the government said it would do and what it has actually done is a mile wide. If the government has some thoughts about going to the people on the basis of what is in the polls, what the polls show now, it should go ahead. Somebody tried that once before when I was in this House. Billy Davis tried that in 1977. The polls were about where they are now, give or take a point. Mr. Davis made the terrible mistake of confusing his own personal popularity with the popularity of minority government.

Hon. Mr. Nixon: Are you still ahead of “undecided”?

Mr. McClellan: We will find out whether we are ahead of “undecided” if and when the great day comes.

Having gone through this list—and I could continue to speak for days, going through promises the government made. It made 29 promises. I could go through each and every one of those and talk about the gap between what the government promised to do and what it was actually able to deliver. If the government thinks it can flim-flam the people of Ontario, I think it will be in for a bit of a surprise.

Hon. Mr. Riddell: Let us see what they have to say.

Mr. McClellan: I agree. I think it will be very interesting to see what they have to say.

If I could offer the government a little word of advice, it would be this: The government should not be too hasty to go back to the people of Ontario until it has actually done something for them. It should not be too hasty to go back to the people of Ontario until it has really done something about solving the housing crisis; until it has fulfilled its promises to reform the Workers' Compensation Board of Ontario; until it has actually done something about making day care a reality for all working families; until it has done something about making it necessary for companies that want to close their plants or lay off their workers to be publicly accountable through a process of justification; until it has actually set up a system of home care and home support for senior citizens; until it has done something about training our young people and providing them with their first job; until it has done something about inflation protection for pensioners, and until it has done something for the disabled.

I have to stop at this point. I cannot remember a more obscene ripoff of disadvantaged people than that perpetrated by the Minister of Community and Social Services (Mr. Sweeney) against the 13,000 Canada pension plan disability recipients who are being cut off the guaranteed annual income system for the disabled. That is \$25 million taken out of the pockets of Gains-D recipients to pay for an enrichment of the Canada pension plan for some 50,000 other people. It is as simple and as obscene as that. Part of the money to pay for the increase in the Canada pension plan disability benefit from \$496 a month to \$636 a month has been taken directly out of the pockets of Gains recipients in this province. It would have been so easy—and both opposition parties agreed to this—to designate that income as exempt. Other provinces have been able to do that, but not this government, even though it is sitting on a hoard of \$1 billion in windfall cash.

I will once again give a word of advice. If the government wants to go to the people, that will be done at the prerogative of the Premier, but my advice is that the government should not be so hasty until it has done some of the things for the benefit of the people that it promised it was going to do. By God, it sure has not done them yet.

1610

My colleagues and I in the New Democratic Party are satisfied with the role we have played in this minority parliament. We have written the

agenda for this parliament and we are still working off that agenda, the reasons for which I tried to explain earlier in my speech. It has to do with the fact that the Ontario Liberal Party did not have and does not now have any idea of what it wants to do or where it wants to go. We were pleased to do it the service of providing it with direction for a two-year period. We are still working off that agenda.

We are going into a series of intensive committee hearings where we will be dealing with pension legislation, pay equity legislation, nursing home legislation, freedom-of-information legislation, the select committee on the environment and the select committee on the commercialization of health and social services in this province, all of which flow from the accord.

Mr. Shymko: Sunday shopping.

Mr. McClellan: Sunday shopping does not flow from the accord. My Conservative friends can have it. We wanted to make sure they had one thing they could really get their teeth into.

As well, I think the mood of the people for change that was expressed in the election of 1985 has infected even unexpected parts of this Legislature. I am thoroughly confident that when we get to committee and start dealing with equal pay for work of equal value and with reform to pension legislation, my colleagues in the Conservative Party are going to rally behind the desire of their leader to bring them into the 20th century and will support aggressive amendments to the Liberal legislation, which are going to surprise and amaze the government front benches, to say nothing of themselves.

Mr. Laughren: You did not mention the opposition back benches.

Mr. McClellan: I did not mention the opposition back benches for a deliberate reason. I do not want to be provocative.

My time has probably come to a close. I can say, however, that the kind of role my colleagues in the New Democratic Party played as the engine of social reform in Ontario is a role we intend to continue to play. My colleagues and I have already been trying to develop not only the response to the last agenda but also the next agenda for the benefit of ordinary working people in this province.

My colleague the member for Welland-Thorold (Mr. Swart) has become known from Cornwall to Kenora for his championship of a driver-owned insurance program. My colleague the member for Sudbury East (Mr. Martel) has become known from Cornwall to Kenora for his

championship of the rights of workers in this province, of safety on the job and of the protection of meaningful occupational health and safety laws.

My colleague the member for Nickel Belt and the other northern members of our caucus have become champions of the other Ontario, that part of Ontario which has been left behind by the so-called economic recovery. They have put forward sensible, progressive and meaningful proposals to regenerate the abandoned economy of northern communities.

My colleague the member for Scarborough West (Mr. R. F. Johnston) has become known throughout this province for his championship of the rights of the disadvantaged and of a fundamental overhaul of our social security and social service systems.

I will not abuse the hospitality of my colleagues any further, except to say we continue to take our role seriously. We look forward to trying to make the promises that were jointly agreed to in 1985 a reality. That job has not been done. That job has not been completed. The promises are still there. The work is still there to be done. If the Liberals wish to abandon the promises they made to ordinary working people to bring about some progressive social change, I invite my colleagues in the Conservative Party to join with us and help them keep the promise.

Mr. Grossman: I wish to begin by saying to my colleague and friend the member for Bellwoods (Mr. McClellan) that if indeed he had made us an offer to join with him a year and a half ago, he would not have had to make that scathing speech with regard to the budget.

Mr. McClellan: I would have had to attack somebody else.

Mr. Grossman: The member may have been part of it.

I want to begin by acknowledging one item outside the budget debate today. Today marks the last official sitting day that my colleague the member for Don Mills will be sitting as a member of this House. I wish he were able to be here at the start of my remarks this afternoon. I want to take this occasion to invite the members of the House to reflect with me on his quite remarkable 15 years of service to this House, his work as an outstanding minister in several portfolios and his extraordinary dedication to the people of Don Mills riding.

While all of us tend to take some pride in the modest things we are able to accomplish on all sides of the House, in the case of the member for Don Mills, as he departs from this House, he can

take some very legitimate pride in having helped not just a few people, but in having directly influenced a great number of people in this province and improved their lot a great deal.

For my part, I can only tell the members that no leader of any political party has ever received more genuine support or more continuing loyalty than I have been able to receive from my colleague the member for Don Mills. Members will not find me one of those leaders who will brush off the loss of an important colleague such as him as a loss we can easily live with, or get me saying, "We will be able to carry on; he will not be missed." I say quite clearly that my colleague will be greatly missed by me, by the members of our caucus and, I hope all members will agree, by the Legislature at large. On this day, I would like to take this opportunity, as I begin the budget debate, to congratulate the member for Don Mills on his extraordinary 15 years of service to this House and the people of Ontario.

I begin this debate by setting out just one bit of framework to which the member for Bellwoods referred. He understandably talked at some length, as I will, about the alleged windfall the Treasurer had. I wish to continue to put this in some perspective. It is not a windfall. It did not fall out of unexpected lottery profits. It did not fall out of an unexpectedly strongly performing Ontario economy. The facts will indicate, and they have not been disputed by the Treasurer, that the \$919 million is attributable to approximately \$1,054,000,000 worth of tax increases. To put it simply, the tax increases produced the extra \$919 million. They are surplus dollars he took from the taxpayers of this province. They are not dollars that suddenly appeared from nowhere.

I want to say to the Treasurer that today is a day to reflect back on the day the budget was introduced. I had a chance to go back and look at some of the headlines he bargained for and was able to get that day. It is ironic to look back at those headlines. I know he will have done so because I know how good he and his people have become at this art.

1620

Here it is: "Painless," it said. Nine hundred and nineteen million dollars painless? Half a million dollars a day in gasoline taxes overhanging from his previous budget, \$1.5 million a week in land transfer taxes, \$300 million to \$400 million in personal income tax increases, and corporate income tax increases are about the same. The Treasurer got away with it on budget

day but now his third-quarter financial statements make it clear: He took \$1 billion from the people of this province.

"Good News Budget," it says here. There was no good news for the people who had to wait—would you believe, Mr. Speaker?—until today, no less, until this week, no less, to get the modest relief that one or two groups got out of the budget. They waited until now, but those who were to get major tax increases, and in that regard it is every citizen in the province, did not have to wait; they got it on day one.

Let us talk for a bit about the things that could have been done in the budget and the things we expected in a budget that was bound to produce \$1 billion worth of extra tax dollars: the total tax exemption on the \$4 meal, the denticare program for children and seniors, the abolition of Ontario health insurance plan premiums—even the Treasurer has tried to deep six that one—and a comprehensive plan for universal child care.

Given the misfortunes that have befallen the people of northern Ontario—first, the appointment of the member for Cochrane North (Mr. Fontaine) for a short time as Minister of Northern Development and Mines, and second, the softwood lumber fiasco his government has perpetrated, costing 500 to 1,000 jobs—it would have been nice if, instead of increasing the price of gasoline by \$500,000 a day, the Treasurer had found time to honour his election commitment to introduce a northern tax credit that would have cost him \$20 million. In other words, his \$919 million would have been reduced to \$900 million if he had only met his commitment to the people of the north.

But of course, the Treasurer and the Premier do not like to be reminded of those long, long ago promises to cancel Darlington nuclear station, double the child tax credit and increase public school funding to 60 per cent. I wish the Minister of Education (Mr. Conway) had been able to be here today. What did the Treasurer do in this budget? He did what it indicates he was going to do here with this red piece falling off the trillium. He took the 48 per cent funding for public schools in this province. Did he move it to 50 per cent or to 60 per cent, as he had promised? No. He took it from 48 per cent down to 44.9 per cent, a staggering thing to have done when he is sitting on \$919 million extra.

I want to talk about the way the Minister of Education chose to address the science and technology questions that he and the Premier are so fond of talking about. Does the House remember? "We are going to turn the corner. We

are really going to do something about science and technology in high schools." What did the Treasurer do? He generously handed the Minister of Education not \$10 million or \$20 million or \$30 million; to improve science and science education in secondary schools, he gave the Minister of Education \$500,000—one day's extra revenue on gasoline tax. That will really do it for us. He allocated 40 cents per student. The Treasurer knows: \$17.5 million for Abe Schwartz; 40 cents per student for their science goals, for their science projects.

Mr. Jackson: If there were more Liberal students—

Mr. Grossman: They just wish they had been friends of the Premier and worked on the transition team. The students might have got, say, \$1 a year for science.

I see the Attorney General (Mr. Scott) now getting agitated, as he does when some of us have the temerity to criticize the government. I think it is appropriate that he intervene at this stage because I want to talk about the freedom-of-information legislation, another bold new initiative.

An hon. member: Where is that?

Mr. Grossman: Where it was. They will recall it.

I remember, and I know the government will reflect back to those heady days when it could make an announcement and get a headline any day in the newspapers. The members remember when freedom of information was introduced—what was the date?—in September 1985. Today is February 12, 1987, and there is still no freedom-of-information legislation in this province. Let me say to the Attorney General, to the Treasurer and to the Premier, who has taken either to not appearing or not answering questions, if ever there were a government that needed freedom-of-information legislation—to get the Coopers and Lybrand study, to get information about what the Ontario Provincial Police are investigating on Wyda, to find out what IDEA Corp. is up to, to find out what is happening with Graham Software—it is this government. Now is the time for freedom-of-information legislation, not the headlines.

I want to talk about the budget specifically and note that the Treasurer chose not to take all the limelight in this budget. He shared it with some of his colleagues. He of course mentioned the Premier many times as he went through his budget address. I remember it all. We understand the Treasurer. We understand the Premier's priorities these days. We understand the impor-

tance of doing the black-tie openings. We understand the importance of the helicopter. We understand all that.

Hon. Mr. Nixon: How about the police outriders they used to have down there?

Mr. Grossman: The police outriders. As far as I know, the one time a minister was ever accorded a police escort in this province was when the Solicitor General (Mr. Keyes) had a police escort through the city of Windsor from the airport to a downtown meeting. That I am not forgetting. The police force in Windsor said that was the only time they could remember ever escorting a minister of the crown from the airport to downtown Windsor. I suspect the police escort was necessary to keep him from insulting any people on the way from the airport to downtown Windsor.

I want to go through the mentions of the Premier's colleagues and see just what substance was behind all the grand words in the budget that we are asked to vote upon. There was lots of talk in the budget about high technology. I know the Treasurer will remember the headlines. He got one headline with the throne speech, "High-Tech Fund Promised"; another headline the day before the budget when he leaked every detail of the high-tech fund; another headline the day of the budget, and another headline the day after the budget. Four times he managed to get a headline for the \$1-billion, high-tech fund.

Let us talk about the \$1-billion, high-tech fund. The day after the fourth headline, it suddenly became apparent that it was not \$1 billion; it was \$100 million a year for 10 years. He should have gone for \$2 billion for 20 years. He settled for \$1 billion for 10 years. Then, of course, when it came out that it was really \$100 million a year, it was \$50 million in new dollars a year. That is how he makes \$1 billion turn into \$50 million.

Later we found out how his government turns \$5 million into \$300,000. That was on the Graham Software deal, but let us talk about the high-tech fund. This four-headline, big, new look into the future turned out not to be \$1 billion, not to be \$100 million a year, not to be \$50 million a year in new dollars; it turned out to be, in accordance with all the information we have so far, \$100,000. That is the extent of this government's commitment so far, precisely one and a half years into its time in office; \$100,000 for high-technology.

After the budget, the Premier turned his attention to his Premier's Council, the 20-member, high-tech club. They were the ones

who were going to distribute this \$100 million a year; sorry, \$50 million in new dollars; sorry, really \$100,000 for the first year and a half.

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Let us look at what they did. Before they were brought in, the Premier had to run out and give \$17.5 million to his friend Mr. Schwartz. He could not wait for the Exploracom headline. Then, of course, we find out at the end of a year and a half that not only has the Exploracom situation fallen apart, as my colleague the member for Brantford (Mr. Gillies) predicted, but it also turns out, and I quote from last week's newspaper, "The government is having trouble finding projects to invest the money in."

I ask the members of this House, is it conceivable in Ontario in 1987 that we cannot find high-technology projects to invest in? I say to the government, they are there if it chooses to look for them. They are there if it wants them. Most important, it appears, I say to the government whip, to be there if the government knows you, if the government knows who you work for. Let me say it clearly: The only people who have had any success with the high-technology fund are Liberals. This year, \$100,000 for high-technology and no projects; this government cannot find a high-technology project to invest in.

I want to go to the other people mentioned in the budget. I want to talk about the Minister of Industry, Trade and Technology (Mr. O'Neil). The minister of industry is in this position: Lots of talk about trade, but when the trade issues were on the table, he was not allowed to go to Washington. He said earlier this week he had not yet been briefed on the Premier's so-called mission to Washington.

Let us look at what the minister himself has done on trade. In this great expansion of trade opportunities, the minister has done two things: He has dropped the trade division of the ministry and he has closed three trade offices. That is the government's big thrust into the future.

It was also interesting to note all the talk about the service sector. The Treasurer tabled a document on the growth of the service sector. The minister has been handed speeches about the service sector. After the big headline about expanding small business development corporation programs to include service organizations, we all applauded. We find out now that for the first time in the history of the SBDC program, this government also cannot find applicants for SBDCs. We find out that it spent \$17 million of \$38 million allocated for the SBDC program.

Did they run out of Liberal applicants? Did Ivan Fleischmann finally give up after my colleague got to him? Did he have no more clients who wanted to come? Was Abe depressed over what happened with Exploracom? Did he realize he could not trust the Premier? What happened to Terry Graham? What happened to all the friends? Did they run out of SBDC projects? It is a crime that in this economy, where there are special moneys allocated by the previous government for northern Ontario and eastern Ontario under the SBDC program, the government underspent by almost 50 per cent.

It cannot find investments for high technology. It cannot find small business investments.

I want to go on to what we can believe in terms of taxes and upcoming budgets. One of my favourite days here was when the Minister of Agriculture and Food (Mr. Riddell) joined us for a short time and was asked by my colleague, before the budget we now are discussing, what tobacco farmers could expect in the upcoming budget. I want to quote the wire story that went out as a result of the minister of agriculture's statement. The Canadian Press wire story across the province read, "Riddell hints at tax breaks for tobacco farmers." That is what the minister told this House.

I want to read it so we will know what we can believe from the ministers of the crown: "The minister of agriculture said prior to the budget, 'The member will be pleasantly surprised, as will tobacco growers, in connection with the announcement that will be made.'" He was right. They were surprised. The budget contained not the tax decrease he had promised but a \$10-million increase, and now they have increased it another \$5 million.

Let me say to the Treasurer that we do not object to that. What we object to is the minister of agriculture getting a headline saying, "Riddell hints at tax breaks for tobacco farmers," giving that information to this House prior to the budget, and then having precisely the opposite happen.

I want to talk about what the Minister of Agriculture and Food has done. This government faces the most critical situation that farmers have faced in this country—ever—and what has it done? Did they increase the budget by 100 per cent, as promised during the election campaign? No; they did not double the budget. Alberta doubled the budget. Saskatchewan almost doubled the budget.

What happened in this high-tax budget? What happened was that the Treasurer and the Minister of Agriculture and Food gave the farmers of this

province a lower percentage increase in 1986 than they had got in the last budget of the previous government in 1984, a lower rate of increase for farmers.

Let us move to the Minister of Health, who was next mentioned in the budget speech. He got his headline with the \$850-million hospital capital-expansion program. Of course, like the high-tech fund, we found out the next day that it was over five years; and then the day after, we found out it was over seven years. That works out—to give him the benefit of the doubt—over five years, to \$170 million a year. Interesting: exactly the same amount that the previous government was investing in hospital spending. No new money. He just took the next five years, bulked it together and there it was: \$850 million.

I say to my colleagues and to all members of this House, what I find to be the most disgraceful part of that headline, that announcement and that information that sent out—I do not want to use the word "misleading"—inaccurate information and inaccurate impressions to the hospitals across this province, is that this year, has the government spent \$850 million in capital? Has it spent \$170 million more in actual capital? No. The actual cash flow under this program to hospitals, this year, is \$20 million for 230 hospitals.

I wish the Minister of Health could be here this afternoon. We are now sitting here a year and a half after the New Democrats tried to give some direction to the new government with regard to what it ought to try to accomplish, and I want members of this House to reflect for a moment on the record of the Minister of Health.

Have we seen changes in care for the elderly, as promised? No. Have we seen major changes in mental health? No. Have we seen patient advocates for seniors in this province?

Some hon. members: No.

Mr. Grossman: Have we seen more community health centres?

Some hon. members: No.

Mr. Grossman: Have we seen more operating money for hospitals?

Some hon. members: No.

Mr. Grossman: Have we seen the lowest transfer in operating moneys for hospitals in almost a decade? Yes, we have.

Have we seen, I say to my colleague the member for Cochrane South (Mr. Pope), more anaesthetists for the north?

Some hon. members: No.

Mr. Grossman: No; we have seen fewer anaesthetists in the north.

The fact is that a year and a half into his term as Minister of Health, I suspect, quite frankly, with the looming and envious looks of the Minister of Education towards the Ministry of Health, that this will be the entire term of the Minister of Health. The fact is that he has accomplished nothing that has not been dictated to him by his bureaucracy. He has become the classic slave of the bureaucrats in the Ministry of Health.

I want to say on a serious level—and I wish the Premier and the Minister for Citizenship and Culture (Ms. Munro) were able to be here—that the comments of my colleague the member for St. George (Ms. Fish) earlier today reflected, I think, a more deep-seated concern than I have had on any of the economic issues to date.

The Minister of Citizenship and Culture, instead of perhaps winding down the Ontario Advisory Council on Multiculturalism and Citizenship, instead of trying to eliminate it, might perhaps be reminded of its value by the things that have occurred coming out of the mouths of colleagues.

In the year and a half the government has been in office, we have had the Minister of Agriculture and Food, no less, tell the world that the people in rural Ontario still have a great deal of racism and are basically anti-Semitic. We have had the member for Lambton (Mr. D. W. Smith) associate himself with the international Jewish conspiracy comments of James Keegstra. We have had the Solicitor General make a quite inappropriate comment in the area of the colour of people's skin.

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I want to say to the Minister of Citizenship and Culture, if she ever had to wonder about the need for the council on multiculturalism; I want to say to the Premier, if he ever wondered about the most important job of the Premier, which is setting standards and ethics; then they should reflect on those three remarks passed in the past year and a half by his colleagues.

I want also to say to the government and to the Premier, who is not here, that apologies can be made. Ask any child; apologies are the easiest thing to offer. It is not difficult. Hershell Ezrin can write them in a minute. It is not difficult to write; a little more difficult to deliver, but it is easy. What is important is whether words such as that belong in the vocabulary or thoughts like that belong in the memory bank of members of the government. The Premier has failed the test on every one of those counts.

I want to deal with the whole question of failing the test. We have talked at some length

today about ethics and standards in government. We have reviewed them at some length today. We have talked for the last several weeks about money being given quite cavalierly and easily to Graham Software, owned by a friend and former business partner of Abe Schwartz, and which has now gone down the tubes in such a serious way that the government invested \$5 million and bought itself out for a \$4.7-million loss.

We find ourselves in a situation where Wyda continues to be under investigation by the Ontario Provincial Police, LSI Applications is under investigation by the OPP and the Ontario Securities Commission is continuing an investigation into PEC Financial, of which Wilfred Caplan is the secretary-treasurer. I want to remind the Premier that being honest about these situations is always the better policy. He said last week to my colleague the member for Brantford that when the Caplan issue was first raised, he took action immediately. He did not deny the allegations, he said.

I remembered it differently, so we went back and looked at Hansard; and what did we find? The first thing we found, outside of Hansard, was that when first asked for a reaction to the Caplan circumstance, our Premier called a senior veteran member of the press gallery senile for daring to question the issue. We then find in Hansard that the Premier did not cut bait; he did not take immediate action against the member for Oriole (Mrs. Caplan). He said, "No member of the government had anything to do with the investment decision in Wyda." Can the members believe the Premier would have said that in this House?

Trying to forestall the inevitable, the Premier five days later read a prepared statement. I think—my colleagues will correct me if I am wrong—the now-famous Bob Carman of Kimberly-Clark fame had investigated and provided a report on this matter. I want to read to the House the Premier's prepared statement five days after he investigated the Caplan affair:

"As I said to the member, my assessment on the basis of what I know was that *prima facie*, there was no undue influence or any influence whatsoever exerted on anyone. There was complete disclosure; in fact, there was no conflict."

That was how the Premier took immediate action. He defended his minister until she had the good sense to resign. Let us remember that the Premier never asked her to resign.

I am not going to take time to go over the Fontaine affair; we know all that. I am not even

going to come back to the Solicitor General; we will be back to him later. And I am not going to take the time of the House—well, I think I will. I will take the time of the House simply to read into the record the number of cabinet ministers who failed to comply with straightforward conflict-of-interest guidelines:

The Minister of Education, the Minister of Housing (Mr. Curling), the Minister of Tourism and Recreation (Mr. Eakins), the Minister of Transportation and Communications (Mr. Fulton), the Minister of Municipal Affairs (Mr. Grandmaître), the Minister of Natural Resources (Mr. Kerrio), the Solicitor General, the Minister of Consumer and Commercial Relations (Mr. Kwinter), the Treasurer, the Minister of Industry, Trade and Technology, the Minister of Agriculture and Food, the Minister without Portfolio (Mr. Ruprecht), the Attorney General, the Minister of Colleges and Universities (Mr. Sorbara), of course, and the Premier himself, all of whom had not disclosed their assets, as required by the provincial guidelines.

Interjections.

The Acting Speaker (Mr. Morin): Order.

Mr. Grossman: I say to the Attorney General, my assets were filed—

Interjections.

The Acting Speaker: Order. Would you please take your seats. Order.

Mr. Grossman: I want now to move on to the Kimberly-Clark issue.

Hon. Mr. Curling: Is this about the nannies?

Hon. Mr. Scott: We are not talking about the nannies. He is going to talk about nannies later.

Mr. Grossman: Let me say to the Attorney General, if he wants to make an accusation I invite him to step outside this House and repeat what he just said to his colleagues, and we will see him. Go on, have the courage to do it.

Interjections.

The Acting Speaker: Order.

Mr. Grossman: I want to say to the Attorney General, I admire his René Fontaine imitation. He would be better to imitate a member of some courage and integrity, which I will say to the Attorney General he has not exhibited one day that he has served in this House, not one day.

The colleagues of the Attorney General were excited. They thought I had accomplished what many of them had been trying to accomplish for some time, and that is getting him out of the House for a moment.

I want to turn my attention—

Interjections.

Mr. Speaker: Order. The member for Brantford will please take his seat.

Interjections.

Mr. Speaker: Order. The member for Cochrane North, order. The member for Durham West (Mr. Ashe), thank you.

Mr. Grossman: I could not help noting that the only time the member for Cochrane North got applause in this House was when he left.

Interjections.

Mr. Fontaine: Mr. Speaker, on a point of order.

Interjections.

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Mr. Speaker: Order.

Mr. Grossman: I want to join the member for Bellwoods in commenting briefly upon the experience we have had with the Minister of the Environment. I say frankly that we listened in this House and applauded many of the initiatives he was promising, hardly any of which he has since taken. He promised most specifically to get tough with polluters in this province.

I remind the Minister of the Environment and the Treasurer, as has my colleague the member for Bellwoods, that today, after the Minister of the Environment's legs were cut out from under him by the Premier on the Kimberly-Clark situation, we have Kimberly-Clark continuing as it was, with a three-year extension but without any help being given to modernize the mill. As sure as I am standing here, somewhere down the road we will find Kimberly-Clark, having polluted the rivers for three more years, ending up closing down or getting money from the government to stay there. This is one of the most embarrassing fiascos the government has been involved in, to see the Minister of the Environment absolutely denuded of his responsibility and buckling in on the single test he has faced. The single test he has faced was that test.

The Treasurer had \$919 million to solve that problem. When the Japanese auto firms wanted to locate here without being required to comply with the auto pact, he had \$95 million to locate those auto companies in southern Ontario. When Abe Schwartz wanted to put in his computer museum, the Treasurer had \$17.5 million for Abe Schwartz. When it came time to help Kimberly-Clark do what every other mill in northern Ontario had been assisted in doing—that is, to clean up its pollution programs and solve its environmental problems—what happened? He

had no money for them. There was \$919 million for the government, \$95 million for the Japanese auto companies and \$17.5 million for Abe Schwartz, but nothing for Terrace Bay, nothing for Kimberly-Clark.

On the question of having money for people who need it, most important let me turn to the disabled. The disabled of this province had every right to expect the federal increase would be passed on to them. I think there was hardly anything more offensive in this House than the Minister of Community and Social Services standing up and telling us that it was not 83,000 disabled, that we were really talking about "just" or "only" 13,000. I say to the minister, "13,000 disabled" does not join with the adjective "only" and should not be juxtaposed with the word "just." Those are 13,000 disabled people whose money the minister and the Treasurer took on its way to them. The federal minister wanted that money to get there. He said so in the House of Commons. It was on its way there.

We on this side of the House believe all 83,000 should have gotten that money. The minister wanted to argue that just 13,000 are affected. I say one disabled person is important, let alone 13,000. Every one of those 13,000 has had his money hijacked by the minister and the Treasurer.

I say also to the minister that those people are living on \$7,200 a year. Can the minister honestly say that is appropriate? Given all the spending his government alleges it is prepared to do, the \$919-million excess tax revenues it has taken, the \$500,000 a day in gasoline revenue, the \$1.5 million in land transfer tax and the \$300 million or \$400 million in personal income tax, is the minister comfortable sitting there and saying to the disabled they shall live on \$7,200 a year? It is a disgrace that he should have hijacked that money on its way to them.

Hon. Mr. Sweeney: You look in the mirror.

Mr. Grossman: The minister suggests I look in the mirror. The minister should look in the mirror and ask himself this question. If his Premier would agree to stand in the line at the airport he might meet a disabled person, and he could ask him whether \$7,200 is enough.

I also say to the minister that if the Premier would agree to stand in that line at the airport, he might meet a person who is mentally retarded. That person might have a chance to say to the Premier that the word "retard" is unacceptable in the vocabulary of any person in this province, let alone the Premier. That mentally retarded person, who is able to contribute to society and

who should not be subjected to epithets like that, might be able to tell the Premier that stuff belongs in the 1950s locker-room scenario, that it is unacceptable and that an apology does not take it away.

An apology does not mean it is not in the Premier's vocabulary. All it means is that the Premier, a couple of hours later—a couple of hours? No. On the "retard" remark it took him several weeks, until someone found the quote. Then, after someone had written an apology, he offered it. Quite clearly, the issue is not whether an apology can be written; the issue is whether it is in his vocabulary. It is not whether it slipped out of his memory bank, but whether it was in his memory bank. My advice to the Premier is that standing in the line at the airport might do him a lot of good. He might meet some real people in this province.

I want to deal with the allocations the Treasurer has made.

Hon. Mr. Riddell: Tell the truth.

Mr. Grossman: In refusing to cut the deficit, the Treasurer used these words—

Hon. Mr. Nixon: What do you mean, refusing to cut the deficit?

Mr. Grossman: No; the Treasurer did not refuse. He has cut the deficit by \$300 million in two years. We cut it by \$1 billion in one year, with less revenue available. I understand; the Treasurer was long a supporter of Mr. Trudeau and he learned right at his feet.

I want to quote the Treasurer. He said, "There was great pressure to improve programs that have been strangled for money."

Let us talk about the transfers and how generous the Treasurer has been in those transfers. In 1983, hospital operating grants were 10.7 per cent; 1984, 7.9 per cent; this year, 1987, 7.4 per cent. This year, with \$919 million extra, it is 7.4 per cent, which is significantly below the rate of increase in 1983 and 1984.

Were municipalities strangled for government money when the Treasurer got there? No. Let us look at municipal transit operating grants. The minister is not here. Municipal transit operating grants were 12.3 per cent in 1983 and 11.9 per cent in 1984. Since the change of government, they have fallen to 10 per cent, and next year they are five per cent. In 1983, municipal unconditional grants were 10.2 per cent; in 1987, 4.9 per cent.

With respect to general legislative grants for education, I would like members to remember the alleged commitment of the government to the future, our young people and education. Here it

is. In 1983, GLG grants for education were 8.8 per cent; this year they are 5.5 per cent. Can members imagine a government that in 1987 can produce only 5.5 per cent for schools?

Mr. Offer: What about inflation?

Mr. Grossman: Someone over there said, "What about inflation?" The inflation rate is the same now as it was then, with \$919 million extra.

Mr. Offer: What was it in 1982?

Mr. Grossman: It was exactly the same.

Interjections.

Mr. Grossman: I have the figures. If the Minister of Community and Social Services, who we already know is not too good with figures, can dispute the fact that GLGs were 8.8 per cent in 1983, I will concede the floor. I say to the minister to stand up with the accounts and show us it was lower than 8.8 per cent and show us that municipal transit grants were not 12.3 per cent; let him show us those figures. Let him show us that hospital operating grants were not 10.7 per cent in 1983. They were; I was Minister of Health in that year. This year they are three per cent lower.

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Let us get rid of this façade that the minister has suddenly increased all these operating grants. The fact is that almost across the board they are significantly lower than they were in 1983. I want to mention community colleges. The Minister of Colleges and Universities is here. Is the minister aware that in 1983 the transfers to colleges were 10.9 per cent and in 1987 they will be 4.3 per cent? Imagine that.

Hon. Mr. Sorbara: Look at the base.

Mr. Grossman: The minister says, "Look at the base." Does the minister want to argue that the base left by the previous government was so high that 4.3 per cent is enough for this year? It is scandalous for him to argue that; 12.4 per cent; down, down, down since they took office.

Let us talk about university funding. He has all the headlines. He even managed to wangle a letter of thanks. Let us have a look at the figures: operating grants in 1983, 7.4 per cent; in 1987, 7.3 per cent.

Mr. Reyecraft: What was inflation in 1983?

Mr. Grossman: Inflation was the same.

Interjections.

Mr. Grossman: I simply want to remind the back bench for the Liberal Party that is now appearing in the House that inflation in that year was the same as inflation this year. Inflation was down in those years thanks to the tough measures

the previous government took in this House. That is why inflation was down.

Let us look at the record. Funding for health care, transfers are down; funding for universities, transfers are down; funding for colleges, transfers are down; funding for the public schools, transfers down; funding for municipal transit, transfers down.

Mr. South: I hope there is a point to this.

Mr. Grossman: I only say to the member for Frontenac-Addington that this is February 12, 1987. It is the budget debate. We are having the windup speeches and I welcome him.

I invite the government to reflect on the fact that all the transfers are down. The only thing that is up is the surplus the Treasurer has accumulated.

Mr. Gillies: And taxes.

Mr. Grossman: And taxes, which have created that surplus.

I say seriously they should reflect a bit on their high-technology commitment, the high-technology initiative of \$100,000 this year. It is an embarrassment: \$100,000. I admit they invested—sorry, lost—\$4.7 million on Graham Software. I admit they lost \$3 million on Wyda Systems. I admit they have also spent that money, but to no avail in high tech. I say simply they should reflect upon the six high-technology centres that were built by the previous government, the world-leading biotechnology centre, Allelix, and the computer research facility at the University of Waterloo. We built high-tech facilities; they built headlines. We built bridges to the future; they built bridges to their Liberal friends and those who had some influence to get quick money.

The real tragedy of this budget is that they took, cumulatively in two budgets, \$1 billion from the people of this province in additional taxes. That fact is not controvertible. It is in Treasury data: \$1 billion in taxes. In the third quarter of this year, the Treasurer reports almost all that money as "unexpected revenue." He then juggles the figures so he does not have to spend that money this year.

For the disabled, the community colleges, the universities, the people who thought a \$1-billion high-tech fund was more than \$100,000, the people needing housing, the farmers who are getting less additional money this year than they got three years ago and who face the biggest problems they have ever seen, the people in northern Ontario who are not sharing the prosperity we have in the south, for those people—

Mr. Fontaine: You started all this. You did not do anything for 42 years.

Mr. Grossman: I say to the former Minister of Northern Development and Mines and to the next Minister of Northern Development and Mines, the member for Timiskaming (Mr. Ramsay), the record is: no high-tech money spent in the north, no job creation programs in the north and a Minister of Natural Resources whose deputy signed an offer to accept a 10 per cent tariff on softwood lumber and give away 500 to 1,000 jobs.

I say to the Treasurer and the Premier, when we get by all the sloppiness of the administration and all the matters that were referred to earlier today about the dealings in Wyda, Graham, Exploracom—who knows what else, but we will find out—the big tragedy of their year and a half is a \$1-billion tax increase and all those farmers, disabled people, the elderly, the municipalities, the students, the school boards, the universities and the hospitals waiting to share in that revenue growth, and they cannot get it back.

Our party will stand and vote against this high-tax budget. We will stand and vote against budgets until they agree to give the taxpayers their own money back. For those reasons, our party will stand for the people of this province, for the people who are paying the \$1 billion in extra taxes, for the people who want that money shared with them, not with the special few. We will stand to vote against this high-tax budget.

Hon. Mr. Peterson: In view of the time—I gather His Honour is standing by waiting to prorogue this House—I will not take all the time that originally had been allotted among the parties.

At the same time, I will forgo the opportunity of commenting specifically on the remarks of my friend opposite. I think he has revealed in his remarks in the last half-hour to three quarters of an hour the quintessential Grossman style. It speaks very much to that particular individual.

By way of summary, I say only that my esteemed colleague to the left, a veteran of this House for some 20 years, who has probably witnessed more parliamentary debates than most of us, if not all of us put together, turned to me and said it was the most desperate speech he has ever heard in 20 years.

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I will not comment on the new economic vision that has hit the party opposite to lower taxes, lower the deficit, raise transfer payments and accomplish all that. I guess it depends which audience they are speaking to at which time.

In the not-too-distant future, and I cannot tell the honourable member when, we will have an opportunity to test the credibility of his thesis before the people of this province. My guess is that the people of this province will find his credibility in about the same position that the members of this House find his credibility.

It has been a long session. It has been a session of much accomplishment in spite of the tough talk on a number of occasions. I sometimes think that question period—it is a very worthwhile, democratic institution, and one I support, as I support the new and expanded role members have to participate in this House. I think all the members of this House can take some collective pride in the advances that have been made in serving the democratic process.

I am told there have been some 760 private members' statements in this House when members have had an opportunity to stand and speak about any issue on their minds. We have brought reform in debate and reform in the hours. This is all televised today, something that was steadfastly refused by the former government. I believe we have come a long way in opening up the process. We have much more to do. We all recognize the fragility of this system under which we operate, but I believe it is best played out when it is exposed in microscopic detail to the people of this province so that they can form judgements on those of us whom they elect to serve their needs. I am very proud of the reforms that have come about. All members have participated in that. In spite of the sometimes unattractive nature of the warts on close examination, I think collectively we have served the democratic process well together, and I thank my colleagues.

I think it is also worthy of note that at this moment in the history of this province, we in Ontario are enjoying on average one of the more dynamic economies in the world today. I do not for a minute pretend that this is evenly distributed across the province. Even in the so-called southern areas there are real problems. We acknowledge that and I think the members have seen a number of programs laid out to address those problems.

We also recognize the fragility of the so-called success that we are enjoying at the present time. We recognize the importance of the automotive industry and that any changes in it could be detrimental to our economy. We also recognize that historic talks are going on at the present time between our national government and the gov-

ernment of the United States that could also have a profound impact on our future.

I think you would agree, Mr. Speaker, that this government, with the help of the members of this Legislature, has been monitoring those talks very closely and has been advancing in a thoughtful, well-researched way not just the interests of the people of Ontario but also the interests of this country. As I have worked with my peers and my colleagues across this country, I have recognized how Ontario is looked to, to play a leading role in Confederation. The role I have inherited is a mantle I have inherited from the member for Muskoka, Premier Davis, Premier Robarts and others, a responsibility that I carry with humility and that I hope we can exercise well on behalf of all Canadians.

As I said, we have a dynamic economy at the moment. I know the members opposite would be very loath to give the Treasurer any credit for that, particularly because the Prime Minister took credit for it some time ago. I know the members opposite think it is all their creation. It is always a curious phenomenon to me that when anything good comes out of this government, it was their creation, and when anything bad comes out, it was our creation. Maybe that is just a matter of perception; I am not sure.

But I think we have to say that this Treasurer has conducted the books and regulated the economic affairs of this province with a deft and firm hand. He has started the process of rebuilding what has run down in terms of our capital infrastructure. I say to my friend opposite that if he believes what he said today, he is the only person in the province who believes it.

Mr. Brandt: No, I do too.

Hon. Mr. Peterson: Mr. Speaker, I am wrong. There are two. You notice there are no other hands going up at this time. I was almost right in that regard.

We have a profound commitment to rebuilding our educational and post-secondary systems. The members know and I know of the discussions that have gone on in this House over the last 10 years. The members know of the co-operative mode in which we are working with those institutions today. We think they are one of the most important instruments of public policy we have, and we are committed to that rebuilding process after roughly 10 years of slow strangulation.

I remember even the members opposite going to rallies and standing up and saying: "We should spend more on the universities. Was it not a shame what we"—i.e., the previous Conservative government—"did to the universities?" They

cannot have it both ways, because ultimately what is at stake in this whole discussion is the credibility of the former government, this government and any party in this House.

We have started that rebuilding process, just as we have started the rebuilding process of a capital infrastructure in hospitals. There was a real problem as well. The minister has put forward the largest capital construction program in the history of this province, including cancer facilities and hospital facilities.

I am enormously grateful and I feel somewhat lucky that we have revenues this year that are allowing us to start that rebuilding process. From reading the last quarterly report, members will notice that, indeed, this buoyant economy has generated extra tax revenue. Roughly \$200 million of that has gone towards lowering the deficit. On the other hand, some \$700 million-odd was spent in that rebuilding process because we are not prepared as a government to stand by and see our social services and educational facilities destroyed any more than they were in the past.

We are rebuilding that, and the people in the province, the transfer agencies, recognize and understand that commitment. I am very proud of the close working relationship we have today with those people who are working to serve this province.

Mr. Speaker, I need not tell you the number of jobs that have been created—close to 150,000—in the last year in this province. That is not to say there are not specific problems and major restructuring going on. That is true; that is a given. We are working with those workers who have been relocated through some of the most ambitious programs in skills training and job training for young people ever introduced.

I stand with my peers and listen to some of their ideas on training for young people, the Futures program, Ontario's Training Strategy and other things; and they tell me our minister has produced the most creative work ever seen in this country with respect to skills training. The members can see the increase in the budget in that regard; it reflects the view of this government that our single most important asset is our people. I hope we have started, in a sense, to respond to those priorities.

I could not argue for a minute that in almost every area, every question brought up in this House, we could not do more. Indeed, there is no government that satisfies all those problems at any given time. At the same time, I say that major progress has been made in all these areas in a

balanced way, in a fiscally responsible way, in a way that is attracting investment to this province and in a way that I believe a vast majority of the sectors have confidence in the stability of this government and its capacity to manage the affairs of the people of this province.

It is with great pride that I stand in support of the budget of my colleague, a budget that has worked out even better than he expected or than even the greatest optimist would have expected almost a year ago when it was presented in this House.

Those moneys have been applied to constructive purposes as part of this government's priorities, which have been shared with members on numerous occasions but which I am happy to restate—our priorities of rebuilding a competitive international economy, of rebuilding an education system that is responsive to the needs of a changing, more technological world and of making sure we have social systems, particularly health care systems, responsive to the changing demographics and the needs of the people of this province.

1720

I think this budget has done that. I think this government has made enormous progress in that regard. The members of this House have passed 70-odd bills, I am told, in the last session, and it has been a productive legislative session. It has been a session that has brought bills of historic significance. Perhaps the number of bills is deceptive because that does not in any way reflect their significance or their historical import.

I looked at some of the great debates we have had in the last year and a half in this province. There was the debate over separate schools, which was so ably handled by my colleague to the right. He was handed as difficult an issue as there is in this province, and with generosity of spirit and with real leadership I believe he has brought a historic justice into place. I am very proud of the leadership he has provided in that regard.

Who could have handled an issue better than the Minister of Health in the historic confrontation with the doctors? This was a very difficult discussion for this government, but he is a minister who stood firm and resolute yet remained fairminded with a great deal of equanimity throughout that discussion. I remember that discussion in this House, where my friends on the far left had one view and my friends on the far right had another view. I can tell members, that was leadership in action, as

this minister struck a blow for equality of access in this province.

L'adoption de la Loi 8 a été une occasion historique pour cette Législature. Cela a fait plus de progrès pour la minorité francophone dans cette province que toute autre loi adoptée depuis la Confédération.

It was a historic bill, which advanced the rights of francophones more in this province than had any other act in the last 120 years.

I think of the difficult discussions: Bill 7. I note with great pride the great courage and understanding that was shown by a number of members in this House on that bill. I respect my colleagues opposite and on this side of the House for the view they took, because I think again we collectively struck a blow for equality and a blow to enhance human dignity.

We have our partisan discussions. I respect that this is the order of the day and probably always will be in our parliamentary system. It is not without some design that these two front benches are two sword lengths away from each other at the very minimum, so that very little real blood is spilled. Lots of emotional blood is spilled.

I do not for a minute expect anyone in the opposition ever to stand up and give the government credit for anything. That has never been done, that I recall—at least I never did that when I was in opposition, and I would not expect the members opposite to do that.

In spite of all that, this system does work, and it works remarkably well. As I said, when history comes to pass judgement on this session, I believe it will judge it to be one of the most productive sessions in terms of not only the quantity but also the significance of the legislation this House has passed.

There is much left to do. It is not as if my colleagues in this House are going on holidays on Monday, because we go back to committee for tough slugging on many other important bills.

May I just say in conclusion that I hope my friends opposite will be persuaded to support this thoughtful, practical budget; they will show the same faith in this parsimonious old farmer from Brant county that I have had since the minute I met him. I know my friends from the New Democratic Party share this very same high view that I do of the Treasurer—

Mr. McClellan: Only on a personal level.

Hon. Mr. Nixon: I hope we can count on you.

Hon. Mr. Peterson: I hope we can count on them; and if they cannot, we have a bus outside just in case.

Counting on their good reason, I must say to my friends opposite, I find their posture here a little bit interesting because just a few months ago they were saying we should carry on for another two or three years. Obviously, the government opposite—the members opposite, the party opposite, the government in exile—is so impressed with the job this government is doing that it does not want to have an election; it does not want people to exercise their democratic right. I appreciate, in spite of the rhetoric in this House today, that measure of real support that they have given to this government.

Just to test the proposition, I have an interesting idea, Mr. Speaker: persuade the New Democratic Party to vote against the budget and see what they do opposite. Just try that, Mr. Speaker. I put that proposition to you, and if you could arrange that, it would be very interesting to see the results. I have this problem in reconciling the things they say from day to day, let alone from week to week or month to month.

Mr. Martel: You might have the King-Byng crisis again.

Hon. Mr. Peterson: I say to my honourable friend—and I wish he would settle down a little bit; he has already made his speeches for the day—I believe we have accomplished a great deal together. I urge members to support the Treasurer and his budget. It has been a constructive one for this province. We have accomplished many social purposes. At the same time, the economy is thriving. How could any province be luckier in this Confederation? How could any country be luckier than we are today?

I count on the reason, the good judgement, the fairmindedness and the sanity of the members opposite to support the Treasurer in his worthwhile endeavours.

Mr. Speaker: Just to remind the members: On Tuesday, May 13, 1986, Mr. Nixon moved, seconded by Mr. Peterson, that this House approves in general the budgetary policy of the government.

1735

The House divided on Hon. Mr. Nixon's motion, which was agreed to on the following vote:

Ayes

Allen, Bossy, Breaugh, Bryden, Callahan, Charlton, Conway, Cooke, D. R., Cooke, D. S., Cordiano, Curling, Eakins, Elston, Epp, Fontaine, Fulton, Grandmaître, Grier, Haggerty, Hart, Hayes, Henderson, Johnston, R. F.,

Knight, Kwinter, Laughren, Lupusella, MacKenzie, Mancini, Martel, McClellan, McGuigan, McKessock, Miller, G. I., Morin, Munro;

Newman, Nixon, Offer, O'Neil, Peterson, Philip, Poirier, Polsinelli, Ramsay, Reville, Reycraft, Riddell, Ruprecht, Sargent, Scott, Smith, D. W., Smith, E. J., Sorbara, South, Swart, Sweeney, Van Horne, Ward, Warner, Wrye.

Nays

Andrewes, Ashe, Baetz, Barlow, Bernier, Brandt, Cousens, Davis, Dean, Eves, Fish, Gillies, Gordon, Gregory, Grossman, Guindon, Harris, Jackson, Leluk, Marland, McCague, McFadden, McLean, McNeil, Mitchell, O'Connor, Partington, Pierce, Pollock, Pope, Shymko, Stevenson, K. R., Taylor, Treleaven, Turner, Villeneuve, Yakabuski.

Ayes 61; nays 37.

1740

SUPPLY ACT

The following bill was given first, second and third readings on motion by Hon. Mr. Nixon:

Bill 213, An Act for granting to Her Majesty certain sums of money for the Public Service for the fiscal year ending March 31, 1987.

The Honourable the Lieutenant Governor of Ontario entered the chamber of the Legislative Assembly and took his seat upon the throne.

ROYAL ASSENT

Hon. Mr. Alexander: Pray be seated.

Mr. Speaker: May it please Your Honour, the Legislative Assembly of the province has, at its present sittings thereof, passed certain bills to which, in the name and on behalf of the said Legislative Assembly, I respectfully request Your Honour's assent.

Assistant Clerk: The following are the titles of the bills to which Your Honour's assent is prayed:

Bill 127, An Act to revise the Surveyors Act;

Bill 156, An Act to amend the Securities Act;

Bill 159, An Act to amend the Insurance Act;

Bill 178, An Act to amend the County of Oxford Act;

Bill 179, An Act to amend the Municipal Act and certain other Acts related to Municipalities;

Bill 189, An Act to amend the Mining Tax Act;

Bill 192, An Act to amend the Regional Municipality of Hamilton-Wentworth Act and the Municipal Elections Act;

Bill 197, An Act to amend the Architects Act;
 Bill 199, An Act to amend the Equality Rights
 Statute Law Amendment Act;

Bill Pr15, An Act respecting the City of
 Hamilton;

Bill Pr44, An Act respecting the High Street
 Recreation Complex of St. Thomas and Elgin;

Bill Pr53, An Act respecting the City of
 Toronto;

Bill Pr66, An Act respecting the City of
 Mississauga;

Bill Pr60, An Act to revive Williams Creek
 Gold Quartz Mining Co. Limited;

Bill Pr61, An Act to revive The Migraine
 Foundation;

Bill Pr64, An Act respecting the Town of
 Wasaga Beach;

Bill Pr59, An Act respecting the City of
 Mississauga.

Clerk of the House: In Her Majesty's name,
 the Honourable the Lieutenant Governor doth
 assent to these bills.

1750

Mr. Speaker: May it please Your Honour,
 we, Her Majesty's most dutiful and faithful
 subjects, the Legislative Assembly of the prov-
 ince of Ontario in session assembled, approach
 Your Honour with sentiments of unfeigned
 devotion and loyalty to Her Majesty's person and
 government, and humbly beg to present for Your
 Honour's acceptance, a bill entitled An Act for
 granting to Her Majesty certain sums of money
 for the Public Service for the fiscal year ending
 March 31, 1987.

Clerk of the House: The Honourable the
 Lieutenant Governor doth thank Her Majesty's
 dutiful and loyal subjects, accept their benevo-
 lence and assent to this bill in Her Majesty's
 name.

The Honourable the Lieutenant Governor was
 pleased to deliver the following gracious speech.

PROROGATION SPEECH

Hon. Mr. Alexander: Mr. Speaker, members
 of the Legislative Assembly, the government's
 priorities during this second session of the 33rd
 Parliament of Ontario have been to begin to
 ensure our place in the world economy of the
 future while advancing the goal of equality of
 opportunity and social justice for people in all
 parts of our province.

The Treasurer's 1986 budget combines social
 concern with a businesslike approach. It intro-
 duced a number of measures to promote entrepre-

neurship, encourage investment in technology
 and return Ontario's health, education and social
 service programs to a sound footing. Such
 measures included creation of the new ventures
 program and expansion of the small business
 development corporation program.

The economic statement also announced addi-
 tional support for agriculture and other basic
 industries. These and other measures helped to
 bolster economic growth, as exemplified by the
 creation of 156,000 jobs in Ontario in 1986,
 which brought Ontario's unemployment rate to
 6.8 per cent, the lowest in Canada.

My government began a long-term effort to
 firmly establish Ontario as a world-class, inter-
 nationally competitive society. Preliminary plan-
 ning and study have been initiated to help steer
 Ontario into the forefront of economic leadership
 and technological innovation.

Special efforts were directed to create opportu-
 nity in regions of this province that have not had a
 chance to share equally in its economic growth.
 The 1986 budget included several measures to
 improve northern Ontario's infrastructure and
 support its basic industries.

As well, decentralization of government ser-
 vices has shifted approximately 1,000 jobs to the
 north and brought several departments closer to
 the people they serve. Initiatives were undertak-
 en to help many Ontarians with special needs,
 including funding for improved community and
 home services for the elderly, increased geriatric
 services in hospitals and an integrated homemak-
 er program for frail seniors and physically
 handicapped adults. Improved shelter subsidies
 were provided for 130,000 Ontarians.

To assure our province's ability to meet the
 needs of Ontarians in the 1990s and beyond, my
 government launched an independent review of
 the social assistance system. Conditions for
 many workers were improved through such
 measures as strengthened occupational safety
 regulations and administration, an increase in the
 minimum wage and pension reforms.

The new Residential Rent Regulation Act will
 protect tenants from large rent increases while
 assuring regular maintenance and an increased
 supply of rental accommodation. The process
 that led to this legislation also served as an
 example of the advantages of bringing citizens
 together to help devise policies to meet their
 needs.

Several measures were initiated to improve
 health care for the people of Ontario, including
 increased funding and a multi-year capital
 program for hospitals, passage of the Health Care

Accessibility Act, the Ontario Drug Benefit Act and the Prescription Drug Cost Regulation Act and improvements in the quality of care in nursing homes. My government launched an independent study on future directions in health care to ensure the province's ability to meet future needs.

Funding for all levels of education and skills training was considerably enriched. The Education Amendment Act was proclaimed.

The province sought to foster greater native self-reliance through community-based programs such as the Ontario native economic support program and the community facilities improvement program.

A settlement was reached to provide compensation for mercury contamination in the English and Wabigoon river system.

Further steps were taken to guard our province's environment for future generations through amendments to the Environmental Protection Act and improved water quality and waste disposal programs.

During this session, in which we were honoured by an address by the Most Reverend Desmond Tutu, Archbishop of South Africa,

considerable efforts were devoted to achieving equal rights for all, including passage of the Equality Rights Statute Law Amendment Act and introduction of legislation to provide for the principle of pay equity in the private sector.

A thorough study was launched into the administration of Ontario's courts to ensure accessibility for the people of the province.

For these and many other achievements, all members of this assembly deserve congratulations.

Au nom de notre souveraine, je vous remercie.

In our sovereign's name, I thank you.

Je déclare cette session prorogée.

I now declare this session prorogued.

Hon. Mr. Nixon: Mr. Speaker and members of the Legislative Assembly, it is the will and pleasure of the Honourable the Lieutenant Governor that this Legislative Assembly be prorogued and this Legislative Assembly is accordingly prorogued.

The Honourable the Lieutenant Governor was pleased to retire from the chamber.

The House prorogued at 5:57 p.m.

APPENDIX A

ANSWERS TO QUESTIONS IN ORDERS AND NOTICES

GOVERNMENT TRAVEL

210. Mr. Shymko: Would the Premier provide the House with information of any costs incurred in travel beyond Ontario's borders for himself and his personal staff and administrative staff, parliamentary assistants and their staff, and other government members and their staff, and any other persons, since his appointment on June 26, 1985? [Tabled January 29, 1986]

See sessional paper 368.

SMOKING DEATHS

403. Mr. Sterling: Would the Minister of Health provide documentation indicating how many people are prematurely dying in Ontario due to first- and second-hand tobacco smoke? [Tabled October 21, 1986]

See sessional paper 369.

ANNUAL REPORTS

410. Mr. McCague: Would each minister provide the number of copies of annual reports printed since June 26, 1985, the production cost per copy the distribution list, and the total cost of producing and mailing the report? [Tabled October 22, 1986]

See sessional paper 370.

CONFERENCE ON NORTHERN
COMPETITIVENESS

451. Mr. Wildman: Would the acting Minister of Northern Development and Mines provide the names of the firms contracted to organize the Premier's Conference on Northern Competitiveness, how much was paid to each and for what services? Would the minister also provide all other expenses incurred in the hosting of this conference? [Tabled November 3, 1986]

See sessional paper 371.

FUTURES PROGRAM

519. Mr. Jackson: Would the Minister of Skills Development provide a breakdown of Futures money allocation for 1986-87, specifically how much was allocated to community colleges, how much was allocated to youth employment counselling centres, how much was allocated to other organizations and a further breakdown for each group of how much was

allocated to programs and how much to administration and other nonprogram costs? [Tabled December 1, 1986]

Hon. Mr. Sorbara: The total allocation for the Futures program and the anticipated expenditures by youth employment counselling centres, colleges of applied arts and technology and other ministries are detailed below. No administration costs of my ministry are included in these amounts.

Delivery organization	Anticipated expenditures \$ millions
YECCs	32.6
CAATs	92.0
Ministry of Citizenship and Culture	1.1
Ministry of Community and Social Services	3.0
Total Futures program allocation	128.7
YECC base support allocation	6.2
Total	134.9

GOVERNMENT EMPLOYEES

522. Mr. McCague: Would the acting Chairman of Management Board provide the names and positions held by those individuals classified as ECP 3, 4, 5 or deputy as of June 26, 1985, including salary and ministry; include all deletions, additions and modifications since that time? [Tabled December 4, 1986]

See sessional paper 372.

COAL TAR

531. Mrs. Grier: Would the Minister of the Environment table a list of all sites in Ontario where companies use, handle or dispose of, or have been known to use, handle or dispose of, coal tar substances? [Tabled December 16, 1986]

Hon. Mr. Bradley: Since the Ministry of the Environment's primary concern is the management and disposal of waste, the ministry does not routinely maintain a list of companies that presently use or handle coal tar substances as a product. However, it is known that the steel industry (Stelco, Dofasco, Algoma Steel) and

general construction and asphalt paving companies are users or handlers of these substances. Coal tar is also widely used as a manufacturing base in the chemical industry and Domtar is a large processor of coal tar produced by the steel companies.

The disposal of wastes, including coal tar substances, is regulated by the Environmental Protection Act, and only Tricil Ltd. near Sarnia is presently licensed to accept coal tar waste.

To determine past producers of coal tar substances, the ministry is funding an inventory of coal gasification plants and associated waste. Attached is a preliminary list of decommissioned coal gasification plant sites in Ontario which has been compiled by the ministry's consultant, Intera Technologies Ltd. of Ottawa.

Intera Technologies has conducted a historical records search to compile the list, completing the first phase of a four-phase study to locate all coal gasification plants and associated waste sites in

the province and to identify any potential hazard to the environment.

The study follows the discovery of coal gasification plant wastes in Ontario. Prior to the 1960s, coal tar and other wastes were produced as byproducts of coal gasification, a manufacturing process which derived combustible gas from coal. This process is no longer used since natural sources of the gas are more economical.

Municipalities with plant sites in their jurisdiction have been asked to provide details on plant operation and waste disposal practices to help identify sites with buried wastes.

During subsequent phases of the study, Intera Technologies will assess the potential environmental impacts of each waste site on the basis of waste type, existing and proposed land use, and proximity to ground and surface water resources. Recommendations for further action will be developed and included in a final report which is expected on March 31, 1987.

Preliminary list of coal gasification plants in Ontario 1840-1970

Community	Address	Approximate years of operation
Barrie	17-31 Kempenfelt Drive	1878-1939
Belleville	West Side Church Street, between St. Paul and railway tracks, rear Pinnacle Street	1854-1939
Brampton	George Street	1887-1915
Brantford	10 East Avenue, east of Alfred	1854-1913
Brockville	40 St. Paul Street, at Water Street	1853-1947
Chatham	King West at Second Street	1873-1915
Cobourg	Charles Street, west of McGill, rear Queen Street	1865-1939
Cornwall	Southeast corner Water East and Amelia Street	1882-1920
Deseronto	South side of Main between First and Second streets	1892-1920
Dundas	East side Thorpe between King East and Cootes Drive	1855-1904
Cambridge (Galt)	North Water near Queen and Simcoe streets	1886-1910
Guelph	South side Wyndham Street South, between Fountain East and Surrey East streets	1865-1955
Hamilton	1. Area bounded by Mulberry Park, Cannon and Bay streets	1850-1927

Community	Address	Approximate years of operation
	2. Hamilton byproduct coke ovens, Depew Street (earlier chemical plant)	1916-1958
	3. Steel Co. of Canada, Harvey Lane	1919-1960
	4. Procter and Gamble, Burlington Street	1916-?
	5. Dofasco, Burlington Street	1954-1960
Ingersoll	83 Avonlea Street at railway tracks	1876-1913
Kingston	Blocks bounded by Barrack, King East, Ontario, Queen and Place D'armes streets	1847-1950
Kitchener	Gaukel, Joseph and Charles streets area	1882-1955
Lindsay	Southeast corner Wellington and William streets	1881-1900
Listowel	46 Elma Street	1891-1915
London	Area bounded by Thames, Horton, Simcoe, Bathurst and Ridout streets	1853-1935
Napanee	Southwest corner Water and Robert streets	1882-1931
Niagara Falls	American Cyanamid property near Stone Road and 4th Avenue (associated with fertilizer plant)	1896-1920
Oshawa	Northwest corner Emma and Prospect streets	1900-1955
Ottawa	1. Northwest corner York and King Edward streets	1854-1920
	2. 175 Lees Avenue	1920-1955
Owen Sound	Block bounded by First East, Second East, Eleventh East and Twelfth East Streets	1890-1946
Peterborough	50-113 Simcoe Street, rear Hunter West	1869-1955
Port Hope	70-98 John Street	1857-1940
Port Stanley	Area of Old Lake Road George and William streets	1946-1953
St. Catharines	End of Mill Street on old Welland Canal	1848-1920
St. Thomas	South side Gas between St. Catherine and Mondamin streets	1878-1935
Sarnia	Northwest corner Maxwell and Water streets	1878-1925
Sault Ste. Marie	Algoma Steel Corp., Queen Street	1919-1963
Simcoe	Lot 1, Concession 6, Woodhouse	1890-1901

Community	Address	Approximate years of operation
Stratford	Northeast corner Wellington and St. David streets	1875-1939
Sudbury	Across CPR tracks from Copper Cliff Road at end of Clemow and Iuddenham Avenue (associated with Canada Creosoting Co.)	1946-?
Toronto	1. Station A, 271 Front Street East	1841-1956
	2. Station B, 415 Eastern Avenue	1911-1956
	3. Station C, northwest corner Bathurst Street and Front Street West. Gas storage only; no production	?-1956
Walkerville	Area bounded by railway line, Sandwich, Belle Isle and Cadillac streets (early municipal, later industrial use)	1892-1924
Waterloo	Corner William and Regina streets	1890-1920
Windsor	Northwest corner Wyandotte and McDougal streets (reduced use to 1952)	1871-1913
Woodstock	South side Bay Street between Young and Burtch streets	1875-1915

MINISTER'S TRIP

534. Mr. Gillies: Would the Minister of Labour provide information regarding his trip to Windsor on Thursday, December 11, 1986, including the cost, the purpose, the duration and the method of travel? [Tabled December 8, 1986]

Hon. Mr. Wrye: The Premier and I went to Windsor on December 11, 1986, for the afternoon, for the signing of an agreement between Windsor and the province for an exchange of provincially owned land. We travelled together by plane, and the Premier's office bore all travel expenses.

FRENCH-LANGUAGE SERVICES

535. Mr. Guindon: Would the Minister of responsible for francophone affairs provide documentation indicating the projected cost of implementing Bill 8? [Tabled January 12, 1987]

Hon. Mr. Grandmaitre: A comprehensive implementation procedure has been devised for use by all ministries and agencies affected by the act. Under this procedure, estimates of resources required for the three-year implementation period should be provided by May 1987.

These estimates must then be evaluated by the Office of Francophone Affairs and Management Board of Cabinet, with input from the human resources secretariat and the Ontario French Language Services Commission.

When this process has been completed, I will be in a position to provide precise resource requirements for the first year of implementation of the act and estimates of projected costs for the second and third years of implementation.

MEETINGS WITH LOBBYIST

541. Mr. Gillies: Would each minister provide a list of all meetings members of personal or ministry staff have held with Ivan Fleischmann since October 16, 1985? Indicate who attended, what was discussed and the results of the meeting. [Tabled January 12, 1987]

Hon. Mr. Nixon: Many members of the public meet with various ministers and ministry staff every day. It is just not practicable from a cost standpoint to collect this information from the many Ontario public servants who could potentially have been contacted by Mr. Fleischmann.

EMPLOYEE SHARE OWNERSHIP PLAN

550. Mr. Foulds: Will the Treasurer table, in keeping with the government's commitment to open government, the submissions he received as a result of his July call for submissions on the proposed employee share ownership plan, outlined in his May 1986 budget? [Tabled January 12, 1987]

Hon. Mr. Nixon: Legislation implementing the employee share ownership plan will be introduced by February 19, 1987. The submissions will be tabled at the same time.

GOVERNMENT INITIATIVES

618. Mr. Pope: Would each minister provide by constituency, a list of all funded grants, programs and any other initiatives which have been taken by the government since October 16, 1986? [Tabled January 12, 1987]

Hon. Mr. Nixon: The member is requested to refer to the answer to order paper question 267 tabled on October 14, 1986, which states:

"The government does not maintain such a list and the amount of staff time and cost required to compile an answer to this question ministry by ministry, project by project, cannot be justified."

GOVERNMENT CONTRACTS

621. Mr. Villeneuve: Would each minister provide a detailed summary of all contracts and their amounts entered into by their respective ministry since October 16, 1986? [Tabled January 12, 1987]

Hon. Mr. Nixon: A record of the total payments made to any individual or company over the fiscal year is included in the Public Accounts of Ontario where the total payments to the individual or company exceeds \$30,000 for the fiscal year. This includes payments made for goods or services provided by contract. To obtain the specific details to fully answer this question would incur considerable expense and severely tax the staff resources of many ministries at this time.

GOVERNMENT EMPLOYEES

628. Mr. Grande: Will the minister responsible table the following information on Ontario government employees: (1) ministry; (2) number of classified employees; (3) number of classified employees who are of visible minority origin; (4) position held in the ministry by each of the employees who are of visible minority origin; (5) will the minister provide the information for

every ministry in government? [Tabled January 13, 1987]

Hon. Mr. Nixon: In response to those parts of the questions dealing with the number of employees, I would refer the honourable member to the annual report of the Civil Service Commission for information concerning the number of persons employed by the government of Ontario.

With respect to the parts of the questions which concern the employment of "employees of visible minority origins" and "employees with third-language skills," I would advise the member that the government does not classify or maintain employee data according to racial and ethnic origin. The Human Rights Code of Ontario states that "the right...to equal treatment with respect to employment is infringed where a form of application for employment is used or a written or oral inquiry is made of an applicant that directly or indirectly classifies or indicates qualifications by a prohibited ground of discrimination." Such information is not asked of employees at the time of hiring.

As this government is committed to ensuring that the composition of the Ontario public service reflects the social demographics of the province, a survey of existing employees was conducted last year, with the approval of the human rights commission, to gather appropriate statistics. More than 70 per cent of our employees, classified and unclassified, voluntarily responded to the survey and the results are now being analysed on a ministry-by-ministry basis. The information thus gathered will constitute an effective data base for planning future human resources initiatives. The results of the survey will be released in the early spring.

RENT REVIEW

640. Mr. Gordon: Would the Minister of Housing provide details as to the number of rent review update advertisements published in newspapers, a list of all newspapers in which they appeared, a list of anywhere else they appeared, including any mailing lists used for distribution, the cost of postage, the cost of running the updates and the duration of the advertisements? [Tabled January 15, 1987]

Hon. Mr. Curling: Regarding the question, the Ministry of Housing has published four advertisements under the heading of "Rent Review Update" to inform the public about important details of Ontario's new rent review legislation.

The first update announced that the Residential Rent Regulation Act, 1986, had been passed by the legislature and outlined the major features of the act.

The second update announced the rent review guideline for the year 1987.

The third update informed tenants and landlords of post-1975 units, which had been brought under the protection of rent review for the first time by the new act, of the procedures regarding these units.

The fourth update informed the public about the new rent registry and the procedures for the registration of all rents in Ontario.

The four updates were advertised province-wide in a total of 380 newspapers in a total of 20 languages, designed to reach the widest possible audience to ensure the public was aware of these important changes to the rent review system. The four updates were not advertised anywhere else.

The cost of postage was the cost of shipping the four advertisements to each newspaper which totalled \$26,025.

The cost of running the four advertisements in all of the newspapers totalled \$1,020,404. As the Ontario public contains more than one million tenants and more than 20,000 landlords, the cost to inform them about these four important changes to the rent review system was less than \$1 each.

The duration of the advertising campaign was the 60-day transition period between passage of the new legislation on December 3, 1986, and the startup of the new rent review system on February 2, 1987.

Each of the four advertisements was placed one time in the attached list of newspapers.

Ontario dailies

Barrie Examiner, Belleville Intelligencer, Brampton Daily Times, Brantford Expositor, Brockville Recorder and Times, Cambridge Daily Reporter, Chatham Daily News, Cobourg Daily Star, Cornwall Standard-Freeholder, Fort Frances Daily Bulletin, Guelph Mercury, Hamilton Spectator, Kenora Daily Miner and News, Kingston Whig-Standard, Kirkland Lake Northern Daily News, Kitchener-Waterloo Record, Lindsay Thursday Post, London Free Press, Niagara Falls Review, North Bay Nugget.

Orillia Packet and Times, Oshawa Times, Ottawa Citizen, Ottawa Le Droit, Owen Sound Sun Times, Pembroke Observer, Peterborough Examiner, Port Hope Guide, St. Catharines Standard, St. Thomas Times-Journal, Sarnia

Observer, Sault Ste. Marie Star, Simcoe Reformer, Stratford Beacon-Herald, Sudbury Star, Thunder Bay Times-News/Chronicle-Journal, Timmins Press, Toronto Globe and Mail, Toronto Star, Toronto Sun, Welland-Port Colborne Tribune, Windsor Star, Woodstock-Ingersoll Sentinel Review.

Ontario weeklies

Alexandria Glengarry News, Wawa Algoma News Review, Alliston Herald, Almonte Gazette, Amherstburg Echo, Arnprior Chronicle Guide, Arthur Enterprise News, Atikokan Progress, Aylmer Express, Ayr News, Bancroft Times, Barry's Bay This Week/Madawaska Gleaner, Beaverton Express/Cannington Gleaner, Beeton Innisfil Scope, Beeton Record Sentinel/Tottenham Times, Belleville Quinte Weekly News (new), Blenheim News-Tribune.

Bobcaygeon Independent, Bolton Enterprises, Bothwell Times, Bowmanville Canadian Statesman (including Newcastle Independent and Port Hope Independent), Bracebridge Muskoka Advance, Bracebridge Examiner, Bracebridge Herald-Gazette, Brighton Independent East Northumberland, Burks Falls-Powassan Almaguin News, Caledon Citizen, Caledonia Grand River Sachem, Campbellford Herald, Carleton Place Canadian, Cayuga Regional News This Week, Chapleau Sentinel, Chesley Enterprise, Chester-ville Record, Cobden Sun, Cochrane Northland Post.

Colborne Chronicle, Collingwood Enterprise-Bulletin, Creemore Star, Deep River North Renfrew Times, Delhi News-Record, Dorchester Sign Post, Drayton Community News, Dresden North Kent Leader, Dryden Observer, Dundalk Herald, Dunnville Chronicle, Durham Chronicle, Dutton Advance, Eganville Leader, Elliot Lake Tabloidy, Elliot Lake Standard, Elmira Independent, Elmvale Lance, Erin Advocate, Espanola Mid-North Monitor.

Exeter Times-Advocate, Fenelon Falls Gazette, Fergus-Elora News-Express, Fergus-Wellington Advertiser, Flesherton Advance, Forest Standard, Frankford Advertiser, Gana-noque Reporter, Georgetown Halton Hills Herald, Parry Sound Beacon Star (old name was Georgian Bay Parry Sound Beacon), Geraldton Times-Star, Glencoe Transcript and Free Press, Gore Bay Manitoulin Recorder, Grand Valley Star and Vidette, Gravenhurst Banner, Gravenhurst News, Hagersville Haldimand Press, Haliburton County Echo and Minden Recorder, Hanover Post, Harriston Review.

Harrow News, Harrow This Week, Hastings Star, Havelock Citizen, Hawkesbury Express, East Gwillimbury Communicator, Hornepayne Bear News, Huntsville Forester, Huntsville Herald, Ignace Driftwood, Ingersoll Times, Iroquois Chieftain, Iroquois Falls Enterprise, Kanata Standard, Kapuskasing Northern Times, Kemptville Advance, Keswick Georgina Advocate, Kincardine Independent, Kingston Heritage, Kingsville Reporter, Lambeth News-Star, Lanark New Era, Leamington Post and News.

Listowel Banner, Little Current Manitoulin Expositor, Longlac The Northern Star (new), Madoc Review, Manitouwadge Echo, Marathon Mercury, Markdale Standard, Marmora Herald, Mattawa Recorder, Meaford Express, Midland/Penetanguishene Free Press, Midland Peninsula Group (Midland Times, Penetanguishene Citizen), Mildmay Town and Country Crier, Milton Observer (new), Milverton Sun, Minden Times, Morrisburg Leader.

Mount Forest Confederate, Nanticoke Times, Napanee Beaver, New Hamburg Independent, New Liskeard Temiskaming Speaker, Nipigon Gazette, North Kawartha Times, Norwich Gazette, Norwood Register (Marmora), Onaping Falls News (Dowling), Orangeville Banner, Orangeville Citizen/Shelburne Free Press and Economist, Orleans Express, Orono Weekly Times, Paisley Advocate, Palmerston Observer, Paris This Week, Parkhill Gazette, Parry Sound North Star, Pelham Herald.

Perth Courier, Petrolia Advertiser-Topic (Dresden), Picton Gazette, Port Dover Maple Leaf, Port Elgin Beacon Times, Port Perry Star, Prescott Journal, Rainy River Record, Red Lake District News, Renfrew Mercury, Ridgetown Dominion, Rodney Mercury, St. Mary's Journal Argus, Sarnia Gazette, Smiths Falls Record News, Stayner Sun, Stirling Community Press, Stirling News-Argus, Stittsville News, Strathroy Age Dispatch.

Sturgeon Falls Tribune, Tara Leader (Port Elgin), Tavistock Gazette, Teeswater News, Terrace Bay Schreiber News, Thamesville Herald, Thessalon North Shore Sentinel, Thornbury Courier Herald, Thunder Bay Real Estate News, Tilbury Times, Tillsonburg News, Timmins Freightier, Trenton Trentonian and Tri-County News, Tweed News, Uxbridge Times-Journal, Vankleek Hill Review, Wallaceburg Courier-Press, Wallaceburg News, Warkworth Journal.

Watford Guide-Advocate, West Lorne Sun, Westport and Rideau Valley Mirror, Wheatley Journal, Wiarton Echo, Winchester Press, Wing-

ham Advance-Times, Zurich Advance, Goderich Signal-Star Group (News, Kincardine; Signal Star, Goderich; News Record, Clinton; Advocate, Mitchell; Sentinel, Lucknow; Huron Expositor, Seaforth; Herald Times, Walkerton).

Urban weeklies

Cabbagetown-Riverdale News, Etobicoke Life, King Township Weekly, Pickering's Bay News, Reporter Newspapers (Etobicoke Reporter, North York Downsview Reporter, North York Yorkview Reporter, Scarborough West Hill Reporter, Scarborough Reporter, Willowdale Reporter), Toronto East End Express, Watson Publishing Co. Ltd. (Agincourt News, North York News, Pickering Post, Scarborough News, Toronto East End News, Toronto West Hill News).

Woodbridge Advertiser, Wright Media Ltd. (East Toronto Weekly, Leaside Advertiser, East York Times, Forest Hill Journal, North Toronto Free Press, North Toronto Herald, St. Clair Examiner), Metro North News (was called Newmarket Independent News before), Metroland (Ajax/Pickering News Advertiser, Aurora Banner/Newmarket Era/Topic Newsmagazine, Brampton Guardian, Burlington Post, Etobicoke Advertiser/Guardian Georgetown Independent/Acton Free Press, Markham/Thornhill Economist/Stouffville Tribune, Milton Canadian Champion, Mississauga News, Oakville Beaver, Oshawa This Week (Whitby), Richmond Hill/Thornhill/Woodstock Liberal, Scarborough Mirror, Willowdale Mirror.

Barrie Banner, Belle River North Essex News, Brabant Newspapers Ltd. (Ancaster News Journal, Dundas Star Journal, Flamborough News, Hamilton Journal West, Hamilton Mountain News, Stoney Creek News), Brant News, Cambridge Times, Dundas Ancaster Recorder, Essex Free Press, Flamborough Review (Waterdown), Fort Frances Times, Hamilton Recorder, Kingston This Week, Lakefield Chronicle, Lindsay This Week, Lindsay Thursday Post, Orillia Sun.

Ottawa Nepean Clarion, Ottawa The Herald, Paris Star, Pembroke Advertiser News, Port Colborne News, Sioux Lookout Northwest Explorer, Sudbury Northern Life, Thorold News, Thunder Bay Lakehead Living, Waterloo Chronicle, Welland Guardian Express, Whitby Free Press, Grimsby Independent Group (Fort Erie Times Review, Grimsby Independent, Lincoln Post Express, Niagara-on-the-Lake Advance, West Lincoln Review).

Ethnic dailies

Korean, Korean Times, Dong-A-Daily News; Chinese, Shing Wah Daily News, Chinese Express; Spanish, El Popular.

Ethnic weeklies

Finnish, Canadian Uutiset; Italian, L'Ora di Ottawa; Jewish, Jewish Press; Korean, Minjoong Shinmoon; Polish, Zwiazkowiec; Portuguese, Voice of Portugal, Novo Mundo; Spanish, Nuevo Diario, La Razon en el Mundo; Greek, Hellenic Canadian Chronicle; Hungarian, Kanadai Magyarsag; Dutch, Calvinist Contact; Estonian, Meie Elu, Vaba Eestlane; Finnish, Vapaa Sana; German, Deutsche Press, Ontario Courier, Toronto Courier; Greek, Canadian Weekly; Hungarian, Magyar Elet, Menora; Hungarian/Jewish, Sporthirado; Italian, Corriere Canadese, Corriere Illustrato, La Gazzetta; Japanese, Canada Times, The Nikke Times, New Canadian; Jewish, Canadian Jewish News; Korean, New Korea Times, Korean Journal; Latvian, Latvija-Amerika; Lithuanian, Teviskas Ziburiai; Polish, Glas Polski (Polish Voice), Echo Tygodnia; Portuguese, Portuguese Sun; Slovak, Kanadsky Slovak; Ukrainian, Homin Ukrainy, Nasha Meta, Novy Shliakh, Vilne Slovo; West Indian, Share, Contrast; Yugoslavian, Nase Novine, Kanadsky Srbobran; East Indian, Sanjh-Savera, Perdesi Panjab.

French weeklies

Material sent to: Sudbury, Le Voyageur; Hawkesbury, Le Carillon; Le Journal de Cornwall; Windsor, Le Rempart; Hearst, Le Nord; Bonjour Chez-nous, Le Goût de vivre, La Boîte à Nouvelles, Le Nouvel Ontarien, Le Courrier d'Oshawa; Toronto, L'Express; Vanier, Le Journal; Hamilton/Burlington, L'Information.

43	Dailies
272	Weeklies
52	Ethnic
13	French
<u>380</u>	<u>(Total)</u>

PAPER MILL

641. Mrs. Grier: Would the Minister of the Environment please provide the name of the accounting firm that was hired by the ministry to do an audit of the financial situation of Kimberly-Clark in Terrace Bay? Will the minister also provide the terms of reference for the audit of Kimberly-Clark? Will the minister please indi-

cate the cost of this audit? [Tabled January 19, 1987]

Hon. Mr. Bradley: The Ministry of the Environment engaged John N. Douglas of the accounting firm of McCabe Burns and Hubley, chartered accountants of Markham, to do the audit of the financial situation of Kimberly-Clark in Terrace Bay.

Mr. Douglas was asked to find out:

1. Is there any indication in the company's financial records that they budgeted for secondary treatment or a new discharge channel?

2. Will the company be able to afford the expenses of the proposed new control order from the date served until October 31, 1989, which are estimated at \$5 million to \$7 million?

3. Would the company be able to afford, under present conditions, to install secondary treatment or a new effluent channel to Lake Superior? The cost of secondary treatment is estimated at \$20 million to \$25 million and the cost of the effluent channel is \$13 million. Approximately two construction years would be required to design, install and put into operation both of these projects.

4. The financial status of Kimberly-Clark Corp.

The cost of the financial review to the ministry was \$17,780.00.

AGRICULTURAL FUNDING

642. Mr. Stevenson: Will the Minister of Agriculture and Food immediately table the minutes of all meetings he has had with the potato growers of the province, in relation to his comments in the Legislature on January 20, 1987? [Tabled January 21, 1987]

Hon. Mr. Riddell: On or about December 2, 1986, the ministry was made aware that a lawsuit by potato growers, contracted to supply Natural Fry Inc., against Her Majesty The Queen might be forthcoming. The possibility of legal action was confirmed by a letter from legal counsel for one of the parties dated January 28, 1987. Solicitors for the ministry have been gathering documentation for use as evidence in any civil proceeding. Consequently, the premature release of any documentation may either infringe the solicitor-client privilege of the crown or circumvent the normal discovery process of the judicial system.

HOSPITAL FUNDING

644. Mr. Andrewes: Would the Minister of Health table all existing commitments for capital

expenditures by hospital, type of commitment, amount and date committed? [Tabled January 27, 1987]

Hon. Mr. Elston: The Ministry of Health is developing a comprehensive plan for current and future capital requirements, including the addition of acute and chronic care beds and the expansion of cancer treatment services. Details of the plan will be announced following approval by cabinet.

INTERIM ANSWERS

393. Mr. Gillies: Hon. Mr. Scott—The ministry requires additional time to respond to the question. The ministry's final response will be tabled on or about February 27, 1987.

395. Miss Stephenson: Hon. Mr. Nixon—Due to the inordinate number of questions which have been asked of ministries and the workload which these questions have generated, it is regretted that the information required by this question will not now be available until about March 9, 1987.

499. Mr. Guindon: Hon. Mr. Peterson—The Ministry of Intergovernmental Affairs will require additional time to prepare the response to this question, as all the travel invoices are not yet available. An answer will be tabled on or about March 31, 1987.

536. Mr. Ashe: Hon. Mr. Nixon—Due to the inordinate number of questions that have recently been tabled and recognizing that all ministries are heavily involved in the preparation, submission and review of their annual estimates at this time, the detail required by this question will not be available until about May 25, 1987.

538. Mr. Bernier: Hon. Mr. Nixon—Due to the inordinate number of questions that have recently been tabled and recognizing that all ministries are heavily involved in the preparation, submission and review of their annual estimates at this time, the detail required by this question will not be available until about June 1, 1987.

540. Ms. Fish: Hon. Mr. Bradley—The ministry requires additional time to answer the above question. An answer should be available on or before February 24, 1987.

544. Mr. Shymko: Hon. Mr. Nixon—Due to the inordinate number of questions that have recently been tabled and recognizing that all ministries are heavily involved in the preparation, submission and review of their annual estimates at this time, the detail required by this

question will not be available until about July 6, 1987.

545. Miss Stephenson: Hon. Mr. Nixon—Due to the inordinate number of questions that have recently been tabled and recognizing that all ministries are heavily involved in the preparation, submission and review of their annual estimates at this time, the detail required by this question will not be available until about June 1, 1987.

547. Mr. Wiseman: Hon. Mr. Nixon—Additional time is required to answer the question. The answer should be available on or about April 30, 1987.

548. Mr. McCague: Hon. Mr. Keyes—Additional time is required in preparing a response to the question. An answer will be tabled on or about May 19, 1987.

551. Mr. McCague: Hon. Mr. Nixon—The detail required by this question will necessitate an in-depth review by all ministries. Accordingly, the information cannot be provided within the normal 14 days. An answer should be available approximately March 16, 1987.

615. Mr. Runciman: Hon. Mr. Conway—The ministry requires additional time to provide the information required by this question. The answer should be available on or about April 16, 1987.

616. Mr. Harris: Hon. Mr. Bradley—The ministry requires additional time to answer the question. An answer should be available on or before February 24, 1987.

617. Mr. Harris: Hon. Mr. Bradley—The ministry requires additional time to answer the question. An answer should be available on or before February 24, 1987.

620. Mr. Harris: Hon. Mr. Bradley—The detail required by this question will necessitate an in-depth review of ministry records. Accordingly, the information cannot be provided within the normal 14 days. An answer should be available approximately March 20, 1987.

624 to 626. Mr. Martel: Hon. Mr. Wrye—Additional time is required to respond to the questions. A final response will be available on or around February 23, 1987.

634 to 638. Mr. Villeneuve: Hon. Mr. Conway—The Ministry of Government Services requires additional time to provide the information required by these questions. The answer should be available on or about March 23, 1987.

639. Mr. Wildman: Hon. Mr. Nixon—The detail required by this question will necessitate an in-depth review of ministry records. Accordingly, the information cannot be provided within the normal 14 days. An answer should be available approximately March 20, 1987.

RESPONSES TO PETITIONS

BOUNDARIES ACT DECISION

Sessional paper 221, re a decision under the Boundaries Act affecting D. Nelson.

Hon. Mr. Scott: Pursuant to standing order 29(b) a petition was presented by the member for Algoma (Mr. Wildman) relating to a decision under the Boundaries Act affecting Donald Nelson.

Donald Nelson was an objector to a Boundaries Act application by the McKay Timber Co. Ltd. for confirmation of certain boundaries of lot 21 in concession M, St. Joseph Island, municipality of Hilton, in the territorial district of Algoma. In his order made under section 9 of the Boundaries Act dated October 12, 1984, James N. Gardiner, deputy director of titles, after considering all the evidence presented at the hearing, denied Mr. Nelson's objection and confirmed the boundaries of lot 21 as advanced by the applicant.

Section 12 of the Boundaries Act provides that any party aggrieved by an order made under section 9 of the act may appeal to the Divisional Court. Mr. Nelson did not avail himself of that provision.

Mr. Nelson filed a complaint with the Office of the Ombudsman by letter dated November 28, 1984. The Ombudsman, in a detailed and thorough report, expressed the view that Mr. Gardiner appeared to have provided all parties with ample opportunity to make submissions and that he appeared to have considered all of the evidence adduced in coming to his conclusions. The Ombudsman therefore concluded that the decision arrived at by Mr. Gardiner was open to him based upon the evidence.

By letter dated July 16, 1986, Mr. Nelson's solicitor requested that I review the proceedings conducted by Mr. Gardiner under the Boundaries Act. A member of my legal staff reviewed Mr. Gardiner's decision and the reasons therefor. As well, the Ombudsman's report setting out the results of his investigation into Mr. Nelson's complaint respecting Mr. Gardiner's decision was reviewed and it did not appear that Mr. Gardiner was in any way improperly influenced in arriving at his decision. Moreover, it appeared

that there was a full and adequate hearing which complied with the rules respecting such hearings. Mr. Nelson was advised by letter dated August 15, 1986, of the results of the review of his complaint by my staff.

It is my opinion, having regard to the review that has been conducted by the Ombudsman and my own staff, that the further review prayed for by Mr. Nelson in the petition would serve no useful purpose.

NONSMOKERS' PROTECTION LEGISLATION

Sessional paper 297, re Non-Smokers' Protection Act.

Hon. Mr. Elston: The Ministry of Health and officials of other ministries are currently participating in the development of a co-ordinated government policy on smoking. The Ministry of Health, as announced by the minister January 13, 1987, has adopted the corporate objective of establishing all Ministry of Health facilities as smoke-free and is instituting a program to that end.

ANIMALS FOR RESEARCH

Sessional paper 347, re Animals for Research Act.

Hon. Mr. Riddell: The ministry recognizes the concerns that have been expressed by some members of the public regarding the procurement of animals from pounds in Ontario for research purposes. However, it is the ministry's belief that the act provides sufficient safeguards to ensure that only unwanted, unclaimed animals that would otherwise be euthanized are available to the research community.

While the primary concern in Bill 21 relates to the potential use of pets in research, it is noteworthy to indicate that the act was structured to protect wanted animals and ensure that they are not used in research. This has been achieved through a number of provisions of the act, including the extension of the period that impounded animals must be maintained. As well, prior to the proclamation of the Animals for Research Act, there were well-founded fears that dealers were selling stolen pets to research institutions. Through the act, animals intended for use in a research facility can only be acquired in Ontario from controlled sources. This has successfully eliminated the possible sale of stolen dogs to research institutions by dog dealers.

The ministry also believes that the enactment

of Bill 21 could deny our medical schools and research institutions access to unwanted animals for essential research and teaching work, but researchers would still need dogs for their work. Accordingly, the ministry feels that the enactment of Bill 21 would not be in the best interests of the public and its pets.

It is our opinion that if a municipal pound can find no segment of society which wants an impounded dog, the potential medical gain through its use in research takes precedence over the death of the animal.

As it is the ministry's position that the Animals for Research Act adequately regulates the sources from which animals may be acquired for research, no amendment is presently considered necessary.

AUTOMOBILE INSURANCE

Sessional paper, 354 re government auto insurance.

Hon. Mr. Kwinter: The Ministry of Financial Institutions is continuing its comprehensive review of Ontario's automobile insurance system with the aim of making improvements and passing benefits on to consumers.

The Honourable Mr. Justice Coulter Osborne is engaged in a thorough study of motor vehicle accident compensation in Ontario and of the possible benefits of implementing some form of no-fault auto insurance. He is also examining the possible structure and delivery system for such a plan. He will report to the Attorney General and to the Minister of Financial Institutions by November 1, 1987.

In the meantime, we continue to evaluate the auto insurance recommendations of the Ontario Task Force on Insurance. We are currently examining alternatives implemented in other jurisdictions where rate controls, government-operated plans and no-fault or no-tort schemes are in effect.

We are also taking steps to improve the immediate situation. Recently, for example, we undertook initiatives to reduce the number of motorists being sent for auto coverage to the residual-market Facility Association because their brokers had no regular market for their insurance. We have encouraged individual companies to retain many of these risks. The Facility Association has also agreed to withdraw its application to increase its rates.

The superintendent of insurance is actively reviewing certain underwriting practices in the auto insurance industry to ascertain whether they are justified by actuarial evidence. He is also investigating complaints from individual insureds and taking remedial action on their behalf when warranted. He continues to encourage consumers to canvass the marketplace for the most favourable rates available through the more than 200 licensed auto insurers in this province.

DIALYSIS UNIT

Sessional paper 359, re the need for a renal dialysis unit at Scarborough General Hospital.

Hon. Mr. Elston: In 1985, Scarborough General Hospital proposed a 10-bed dialysis unit, encompassing the whole range of dialysis services at an annual cost of \$3.2 million; the proposal was submitted both to the ministry and Metropolitan Toronto District Health Council in 1985. The Metropolitan Toronto District Health Council reviewed it and returned it to the hospital for improvement and because it was not consistent with the overall plan for Metropolitan Toronto.

The hospital has not resubmitted a new formal proposal to the district health council.

In December 1986, the ministry and the Metropolitan Toronto District Health Council received a document from Scarborough General Hospital which outlines plans for a comprehensive renal dialysis unit, among other programs. The document, however, is not a formal proposal. It is being reviewed within the ministry.

Metropolitan Toronto District Health Council last year (1986) reconvened the end stage renal disease task force to respond to a ministry request for a proposal regarding a self-care assisted renal dialysis unit. The task force has also discussed the need for consideration as to how additional patients can be accommodated in Metro. The district health council has been meeting, and will submit the recommendations to the ministry as soon as their deliberations are complete.

The ministry will review the recommendations of the district health council when they are received and will consider the recommendations within the context of the ministry funding available for new/expanded hospital-based programs.

APPENDIX B

ALPHABETICAL LIST OF MEMBERS*

(125 members)

Second Session, 33rd Parliament

Lieutenant Governor: **Hon. L. M. Alexander, PC, QC**Speaker: **Hon. H. A. Edighoffer**Clerk of the House: **C. L. DesRosiers**

Allen, R. (Hamilton West NDP)
 Andrewes, P. W. (Lincoln PC)
 Ashe, G. L. (Durham West PC)
 Baetz, R. C. (Ottawa West PC)
 Barlow, W. W. (Cambridge PC)
 Bennett, C. F. (Ottawa South PC)
 Bernier, L. (Kenora PC)
 Bossy, M. L. (Chatham-Kent L)
Bradley, Hon. J. J., Minister of the Environment (St. Catharines L)
 Brandt, A. S. (Sarnia PC)
 Breagh, M. J. (Oshawa NDP)
 Bryden, M. H. (Beaches-Woodbine NDP)
 Callahan, R. V. (Brampton L)
 Caplan, Hon. E. (Oriole L)
 Charlton, B. A. (Hamilton Mountain NDP)
Conway, Hon. S. G., Minister of Education and acting Minister of Government Services (Renfrew North L)
 Cooke, D. R. (Kitchener L)
 Cooke, D. S. (Windsor-Riverside NDP)
 Cordiano, J. (Downsview L)
 Cousens, W. D. (York Centre PC)
 Cureatz, S. L. (Durham East PC)
Curling, Hon. A., Minister of Housing (Scarborough North L)
 Davis, W. C. (Scarborough Centre PC)
 Dean, G. H. (Wentworth PC)
Eakins, Hon. J. F., Minister of Tourism and Recreation (Victoria-Haliburton L)
Edighoffer, Hon. H. A., Speaker (Perth L)
Elston, Hon. M. J., Minister of Health (Huron-Bruce L)
 Epp, H. A. (Waterloo North L)
 Eves, E. L. (Parry Sound PC)
 Ferraro, R. E. (Wellington South L)
 Fish, S. A. (St. George PC)
 Fontaine, R. (Cochrane North L)
 Foulds, J. F. (Port Arthur NDP)
Fulton, Hon. E., Minister of Transportation and Communications (Scarborough East L)
 Gigantes, E. (Ottawa Centre NDP)
 Gillies, P. A. (Brantford PC)
 Gordon, J. K. (Sudbury PC)
 Grande, T. (Oakwood NDP)

Grandmaître, Hon. B. C., Minister of Municipal Affairs (Ottawa East L)
 Gregory, M. E. C. (Mississauga East PC)
 Grier, R. A. (Lakeshore NDP)
 Grossman, L. S. (St. Andrew-St. Patrick PC)
 Guindon, L. B. (Cornwall PC)
 Haggerty, R. (Erie L)
 Harris, M. D. (Nipissing PC)
 Hart, C. E. (York East L)
 Hayes, P. (Essex North NDP)
 Henderson, D. J. (Humber L)
 Hennessy, M. (Fort William PC)
 Jackson, C. (Burlington South PC)
 Johnson, J. M. (Wellington-Dufferin-Peel PC)
 Johnston, R. F. (Scarborough West NDP)
Kerrio, Hon. V. G., Minister of Natural Resources and Minister of Energy (Niagara Falls L)
Keyes, Hon. K. A., Solicitor General and Minister of Correctional Services (Kingston and the Islands L)
 Knight, D. S. (Halton-Burlington L)
Kwinter, Hon. M., Minister of Consumer and Commercial Relations (Wilson Heights L)
 Lane, J. G. (Algoma-Manitoulin PC)
 Laughren, F. (Nickel Belt NDP)
 Leluk, N. G. (York West PC)
 Lupusella, A. (Dovercourt L)
 Mackenzie, R. W. (Hamilton East NDP)
 Mancini, R. (Essex South L)
 Marland, M. (Mississauga South PC)
 Martel, E. W. (Sudbury East NDP)
 McCaffrey, R. B. (Armourdale PC)
 McCague, G. R. (Dufferin-Simcoe PC)
 McClellan, R. A. (Bellwoods NDP)
 McFadden, D. J. (Eglinton PC)
 McGuigan, J. F. (Kent-Elgin L)
 McKessock, R. (Grey L)
 McLean, A. K. (Simcoe East PC)
 McNeil, R. K. (Elgin PC)
 Miller, F. S. (Muskoka PC)
 Miller, G. I. (Haldimand-Norfolk L)
 Mitchell, R. C. (Carleton PC)
 Morin, G. E., Deputy Chairman of Committee of the Whole House (Carleton East L)
 Morin-Strom, K. (Sault Ste. Marie NDP)

Munro, Hon. L. O., Minister of Citizenship and Culture (Hamilton Centre L)

Newman, B. (Windsor-Walkerville L)

Nixon, Hon. R. F., Treasurer of Ontario and Minister of Economics, Minister of Revenue and acting Chairman of the Management Board of Cabinet (Brant-Oxford-Norfolk L)

O'Connor, T. P. (Oakville PC)

Offer, S. (Mississauga North L)

O'Neil, Hon. H. P., Minister of Industry, Trade and Technology (Quinte L)

Partington, P. (Brock PC)

Peterson, Hon. D. R., Premier and President of the Council, Minister of Intergovernmental Affairs and Minister of Northern Development and Mines (London Centre L)

Philip, E. T. (Etobicoke NDP)

Pierce, F. J. (Rainy River PC)

Poirier, J. (Prescott-Russell L)

Pollock, J. (Hastings-Peterborough PC)

Polsinelli, C. (Yorkview L)

Pope, A. W. (Cochrane South PC)

Pouliot, G. (Lake Nipigon NDP)

Rae, R. K. (York South NDP)

Ramsay, D. (Timiskaming L)

Reville, D. (Riverdale NDP)

Reycraft, D. R. (Middlesex L)

Riddell, Hon. J. K., Minister of Agriculture and Food (Huron-Middlesex L)

Rowe, W. E. (Simcoe Centre PC)

Runciman, R. W. (Leeds PC)

Ruprecht, Hon. T., Minister without Portfolio (Parkdale L)

Sargent, E. C. (Grey-Bruce L)

Scott, Hon. I. G., Attorney General and acting Solicitor General (St. David L)

Sheppard, H. N. (Northumberland PC)

Shymko, Y. R. (High Park-Swansea PC)

Smith, D. W. (Lambton L)

Smith, E. J. (London South L)

Sorbara, Hon. G. S., Minister of Colleges and Universities and Minister of Skills Development (York North L)

South, L. (Frontenac-Addington L)

Stephenson, B. M. (York Mills PC)

Sterling, N. W. (Carleton-Grenville PC)

Stevenson, K. R. (Durham-York PC)

Swart, M. L. (Welland-Thorold NDP)

Sweeney, Hon. J., Minister of Community and Social Services (Kitchener-Wilmot L)

Taylor, J. A. (Prince Edward-Lennox PC)

Timbrell, D. R. (Don Mills PC)

Treleaven, R. L., Deputy Speaker and Chairman of the Committee of the Whole House (Oxford PC)

Turner, J. M. (Peterborough PC)

Van Horne, Hon. R. G., Minister without Portfolio (London North L)

Villeneuve, N. (Stormont, Dundas and Glengarry PC)

Ward, C. C. (Wentworth North L)

Warner, D. W. (Scarborough-Ellesmere NDP)

Wildman, B. (Algoma NDP)

Wiseman, D. J. (Lanark PC)

Wrye, Hon. W. M., Minister of Labour (Windsor-Sandwich L)

Yakabuski, P. J. (Renfrew South PC)

MEMBERS OF THE EXECUTIVE COUNCIL

Peterson, Hon. D. R., Premier and President of the Council, Minister of Intergovernmental Affairs and Minister of Northern Development and Mines

Nixon, Hon. R. F., Treasurer of Ontario and Minister of Economics, Minister of Revenue and acting Chairman of the Management Board of Cabinet

Conway, Hon. S. G., Minister of Education and acting Minister of Government Services

Bradley, Hon. J. J., Minister of the Environment

Scott, Hon. I. G., Attorney General and acting Solicitor General

Riddell, Hon. J. K., Minister of Agriculture and Food

Eakins, Hon. J. F., Minister of Tourism and Recreation

Kerrio, Hon. V. G., Minister of Natural Resources and Minister of Energy

O'Neil, Hon. H. P., Minister of Industry, Trade and Technology

Sweeney, Hon. J., Minister of Community and Social Services

Elston, Hon. M. J., Minister of Health

Wrye, Hon. W. M., Minister of Labour

Grandmaître, Hon. B. C., Minister of Municipal Affairs

Curling, Hon. A., Minister of Housing

Fulton, Hon. E., Minister of Transportation and Communication

Keyes, Hon. K. A., Solicitor General and Minister of Correctional Services

Kwinter, Hon. M., Minister of Consumer and Commercial Relations

Munro, Hon. L. O., Minister of Citizenship and Culture

Sorbara, Hon. G. S., Minister of Colleges and Universities and Minister of Skills Development

Van Horne, Hon. R. G., Minister without Portfolio

Ruprecht, Hon. T., Minister without Portfolio

PARLIAMENTARY ASSISTANTS

Bossy, M. L., assistant to the Minister of Housing (Chatham-Kent L)

Cordiano, J., assistant to the Minister of Community and Social Services (Downsview L)

Epp, H. A., assistant to the Treasurer and the Minister of Revenue (Waterloo North L)

Ferraro, R. E., assistant to the Minister of Industry, Trade and Technology (Wellington South L)

Fontaine, R., assistant to the Minister of Tourism and Recreation (Cochrane North L)

Haggerty, R., assistant to the Minister of Municipal Affairs (Erie L)

Hart, C. E., assistant to the Minister of Health (York East L)

Henderson, D. J., assistant to the Minister of Colleges and Universities (Humber L)

Knight, D. S., assistant to the Chairman of Management Board of Cabinet (Halton-Burlington L)

McGuigan, J. F., assistant to the Minister of Natural Resources (Kent-Elgin L)

McKessock, R., assistant to the Solicitor General and the Minister of Correctional Services (Grey L)

Miller, G. I., assistant to the Minister of Agriculture and Food (Haldimand-Norfolk L)

Offer, S., assistant to the Minister of Consumer and Commercial Relations (Mississauga North L)

Poirier, J., assistant to the Minister of Energy (Prescott-Russell L)

Polsinelli, C., assistant to the Minister of Labour (Yorkview L)

Ramsay, D., assistant to the Minister of Northern Development and Mines (Timiskaming L)

Reycraft, D. R., assistant to the Minister of Education (Middlesex L)

Sargent, E. C., assistant to the Minister of Transportation and Communications (Grey-Bruce L)

South, L., assistant to the Minister of the Environment (Frontenac-Addington L)

Ward, C. C., assistant to the Attorney General (Wentworth North L)

STANDING COMMITTEES

Administration of justice: chairman, Mr. Brandt; vice-chairman, Ms. Fish; members, Messrs. Charlton, D. R. Cooke, Ms. Gigantes, Messrs.

O'Connor, Partington, Poirier, Polsinelli, Rowe and Ward; clerk, L. Mellor.

Finance and economic affairs: chairman, Mr. D. R. Cooke; vice-chairman, Mr. Ferraro; members, Messrs. Ashe, Cordiano, Foulds, Haggerty, Mackenzie, McFadden, Ramsay, Miss Stephenson and Mr. Taylor; clerk, F. Carrozza.

General government: chairman, Mr. McCague; vice-chairman, Mr. Guindon; members, Mr. Fontaine, Mrs. Grier, Messrs. Lane, Lupusella, McKessock, Offer, Pollock, Sterling and Swart; clerk, D. Deller.

Government agencies: chairman, Mr. Gregory; vice-chairman, Mr. Mitchell; members, Messrs. Epp, Grande, Hayes, J. M. Johnson, Leluk, Mrs. Marland, Messrs. Polsinelli, Sargent and D. W. Smith; clerk, D. Arnott.

Legislative Assembly: chairman, Mr. Breaugh; vice-chairman, Mr. Mancini; members, Messrs. Bossy, Dean, Martel, Morin, Newman, Treleaven, Turner, Villeneuve and Warner; clerk, S. Forsyth.

Legislative Assembly, subcommittee on agenda and procedure: chairman, Mr. Breaugh; members, Messrs. Mancini, Turner and Warner; clerk, S. Forsyth.

Legislative Assembly, subcommittee on members' services: chairman, Mr. Mancini; members, Messrs. Bossy, Turner and Warner; clerk, S. Forsyth.

Legislative Assembly, subcommittee on security: chairman, Mr. Breaugh; members, Messrs. Martel, Morin and Treleaven; clerk, S. Forsyth.

Ombudsman: chairman, Mr. McNeil; vice-chairman, Mr. Sheppard; members, Messrs. Bossy, Hayes, Henderson, Hennessy, McLean, Morin, Newman, Philip and Shymko; clerk, T. Decker.

Public accounts: chairman, Mr. Runciman; vice-chairman, Mr. Gillies; members, Messrs. Barlow, Callahan, Davis, Epp, Mancini, Philip, Pope, D. W. Smith and Wildman; clerk, D. Arnott.

Regulations and private bills: chairman, Mr. Callahan; vice-chairman, Mr. Haggerty; members, Ms. Bryden, Messrs. Cureatz, Fontaine, Hennessy, Lupusella, McKessock, Pouliot, Shymko and Wiseman; clerk, T. Manikel.

Resources development: chairman, Mr. Laughren; vice-chairman, Mr. Reville; members, Mr. Bernier, Ms. Caplan, Messrs. Gordon, McGuigan, Morin-Strom, Offer, Pierce, South and Stevenson; clerk, T. Decker.

Social development: chairman, Mr. R. F. Johnston; vice-chairman, Mr. Allen; members, Messrs. Andrewes, Baetz, Cordiano, Cousens, Grande, Ms. Hart, Messrs. Jackson, G. I. Miller and Reycraft; clerk, F. Carrozza.

SELECT COMMITTEES

Environment: chairman, Mr. Knight; vice-chairman, Mr. McGuigan; members, Messrs. Charlton, Eves, Ms. Fish, Mrs. Grier, Mrs. Marland, Messrs. G. I. Miller, Partington, Poirier and South; clerk, T. Manikel.

Health: chairman, Mr. Callahan; members,

Messrs. Andrewes, Baetz, Ms. Caplan, Mr. D. S. Cooke, Ms. Hart, Messrs. Henderson, R. F. Johnston, Reycraft, Miss Stephenson and Mr. Turner; clerk, D. Deller.

Retail store hours: chairman: Mr. O'Connor; vice-chairman, Mr. Guindon; members, Messrs. Barlow, Bernier, Ferraro, Knight, Philip, Reville, Sargent, Shymko and Ms. E. J. Smith; clerk, L. Mellor.

*The lists in this appendix, brought up to date as necessary, are published in Hansard in the first and last issues of each session and on the first sitting day of each month.

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SPEAKERS IN THIS ISSUE

Alexander, Hon. L. M., Lieutenant Governor Allen, R. (Hamilton West NDP)
 Ashe, G. L. (Durham West PC)
 Bernier, L. (Kenora PC)
 Brandt, A. S. (Sarnia PC)
 Bryden, M. H. (Beaches-Woodbine NDP)
 Callahan, R. V. (Brampton L)
 Conway, Hon. S. G., Minister of Education and acting Minister of Government Services (Renfrew North L)
 Cooke, D. R. (Kitchener L)
 Cousens, W. D. (York Centre PC)
 Curling, Hon. A., Minister of Housing (Scarborough North L)
 Edighoffer, Hon. H. A., Speaker (Perth L)
 Epp, H. A. (Waterloo North L)
 Fish, S. A. (St. George PC)
 Fontaine, R. (Cochrane North L)
 Fulton, Hon. E., Minister of Transportation and Communications (Scarborough East L)
 Gigantes, E. (Ottawa Centre NDP)
 Gillies, P. A. (Brantford PC)
 Gregory, M. E. C. (Mississauga East PC)
 Grossman, L. S. (St. Andrew-St. Patrick PC)
 Haggerty, R. (Erie L)
 Harris, M. D. (Nipissing PC)
 Hayes, P. (Essex North NDP)
 Jackson, C. (Burlington South PC)
 Johnston, R. F. (Scarborough West NDP)
 Laughren, F. (Nickel Belt NDP)
 Mackenzie, R. W. (Hamilton East NDP)
 Mancini, R. (Essex South L)
 Martel, E. W. (Sudbury East NDP)
 McClellan, R. A. (Bellwoods NDP)
 McGuigan, J. F. (Kent-Elgin L)
 McKessock, R. (Grey L)
 McLean, A. K. (Simcoe East PC)
 Miller, G. I. (Haldimand-Norfolk L)
 Mitchell, R. C. (Carleton PC)
 Morin, G. E., Deputy Chairman of the Committees of the Whole House and Acting Speaker (Carleton East L)
 Nixon, Hon. R. F., Treasurer of Ontario and Minister of Economics, Minister of Revenue and acting Chairman of the Management Board of Cabinet (Brant-Oxford-Norfolk L)
 Offer, S. (Mississauga North L)
 O'Neil, Hon. H. P., Minister of Industry, Trade and Technology (Quinte L)

Peterson, Hon. D. R., Premier and President of the Council, Minister of Intergovernmental Affairs and Minister of Northern Development and Mines (London Centre L)

Philip, E. T. (Etobicoke NDP)

Pope, A. W. (Cochrane South PC)

Reville, D. (Riverdale NDP)

Reycraft, D. R. (Middlesex L)

Riddell, Hon. J. K., Minister of Agriculture and Food (Huron-Middlesex L)

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Stevenson, K. R. (Durham-York PC)

Sweeney, Hon. J., Minister of Community and Social Services (Kitchener-Wilmot L)

Treleaven, R. L., Deputy Speaker and Chairman of the Committees of the Whole House (Oxford PC)

Wildman, B. (Algoma NDP)

Wrye, W. M. (Windsor-Sandwich L)

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